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2 August 1985

USSR REPORT INTERNATIONAL AFFAIRS

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WORLDWIDE TOPICS

AIMS OF U.S., SOVIET INTERNATIONAL BROADCASTING CONTRASTED

Moscow MOSKOVSKAYA PRAVDA in Russian 7 May 85 p 3

[Article by K. Gerasimov: "Voice of Peace and Truth/ Against Misinformation and Slander"]

[Text] "I began listening to broadcasts of Radio Moscow a month ago. For the first time I began to understand what the USSR and other socialist countries represent. Until now my concept about your country was based on our means of mass information. But everything that was reported was in essence an attack on the USSR. I feel that we Japanese should listen to your broadcasts more often." This was signed by Ito Atsusi.

This letter is one of over 300,000 arriving annually from all corners of the world in Moscow, on Pyatnitskaya Street, where the editorial offices of USSR Gosteleradio [State Commission on Television and Radio Broadcasting of the USSR Council of Ministers], which carries out radio broadcasts to foreign countries, are located. Soviet broadcasting is already over half a century old. Created in 1929, it initially prepared broadcasts in only three languages--German, English and French. But they immediately attracted attention because they discussed matters that were not reported truthfully by any other radio station concerning the building of the first socialist state in the world.

During the years of the Second World War listeners in the enslaved countries of Europe, in the countries of the anti-Hitler coalition, derived hope of victory over facism from the broadcasts of Radio Moscow. And today, when tuning in to the Moscow frequency the residents of different continents want above all to hear the truth from us concerning our lives, our achievements, our problems and our policies.

Today broadcasts are presented in 75 languages. The large number of letters is the visible attestation of the popularity of these broadcasts. As a rule, the people who write are usually called, without complete justification, simple. This makes the opinions contained in many letters even more revealing. "I am attracted to the truthfulness and reasoning of the programs on Radio Moscow," writes Masud Mazlumi (Iran), for example. "These programs contain no lies, falsifications or slander, i. e. all that repels us in the broadcasts of the Voice of America and of other radio stations of

imperialistic countries. Your programs ring with the call for peace and cooperation."

The opinion of the radio listener is very topical, and not only from the point of view of his evaluation of the broadcasts of Radio Moscow abroad. Under conditions in which the administration of the USA has begun information-propaganda intervention against countries involved in socialist cooperation and against the liberated countries of Asia, Africa and Latin America, the judgements and comparisons made in letters from foreign listeners allow us, the Soviet people, to become more clearly convinced of the vitality of our society's ideals and at the same time to better sense the danger of the methods with which "psychological warfare" is being carried out against us. "Your presence on the air and your programs," writes Al'vina Sekar (USA), "represent, in my opinion, an effective antidote to the USA's current president's dangerous propaganda campaign to incite war hysteria."

"Psychological warfare" is being carried out first and foremost against the peoples of the USSR and the fraternal socialist countries. Over 60 large radio stations of the main capitalist countries, with a total broadcast time of over 450 hours per day, blitz us with volleys of propaganda. The most powerful of these are Voice of America, the radio affiliates of the TsRU [Central Broadcasting System, USA]--Radio Liberty and Radio Free Europe (RS--RSYe), BBC and others. They freely maneuver, if we can use military terminology, "with fire and wheels" in accordance with the goals established by the strategists of "psychological warfare." It is sufficient to remember that when Washington took a course toward massive intervention in the internal affairs of Poland, Voice of America immediately tripled the duration of its broadcasts to this country.

As for developing countries, here most "attention" is given to those who are following the path of progressive development. "After the April revolution," says S. Tuffani, senior editor of the Afghan newspaper KHAKIKATE INKILABE SAUR, to a reporter of all-union radio, "Western radio stations sharply increased the number of broadcasts to Afghanistan. Whereas previously daily broadcasts by Voice of America to our country did not exceed 30 minutes, now they last over 3 hours. What it is counting on is the lack of information of people, whom it is trying to incite against the people's power with the help, for example, of a slanderous campaign that tries to make it appear that Islam is being threatened in the country." Western stations dump literally avalanches of fabrications upon the heads of Afghans and remain silent about the murder of servants of the faith and about the destruction of mosques by counterrevolutionaries."

Or let us look at Ethiopia. During the monarchic pro-American regime the U.S. Information Agency (USIA), which manages the Voice of America, felt that it would be an unnecessary expense to broadcast in the Amkhar language. However, as soon as there was a revolution in Ethiopia touching concern was demonstrated for this country--Voice of America began to speak in the Amkhar language. The goal was understandable--to attempt to undermine trust in revolutionary transformations with the aid of carefully-garbled news and slanderous commentary.

A special role in the transmission of imperialist "voices" to the most diverse countries is played by music. The employers of evil disc jockeys fervently believe that there are simpletons who are ready to thoughtlessly swallow attractive bait and with it the poisoned hook of misinformation. But many foreign listeners of Moscow Radio understand this well, stating in their letters: "Can it be that Western 'voices' spend millions just to entertain us?"

Subversive propaganda is naturally differentiated according to groups of countries. But essentially the same methods are at the base of this propaganda. This includes simple unconcealed lies as well as lies with a grain of truth to lend them some seeming objectivity. Here we have broadcasting over the air with lightning rapidity--see how efficient we are!--of reports about, for example, new foreign-policy initiatives by the Soviet Union with complete silence about their essence or with an ill-intentioned distortion of it. ("Not a single one of your peace proposals," wrote radio listener Phillip Evans (England), "was explained in detail here"). Here we find a hushing up of the achievements of socialist countries as well as the creation of evil caricatures of our reality. The agents of imperialist propaganda are as inventive as they are unscrupulous.

In a report by the Hudson Institute, the most influential center for strategic research in the USA, the goals of American international propaganda are determined in the following manner: "To preserve and consolidate their leadership position in the world and to achieve supervision, peace and stability, which the USA is striving for, the administration must strengthen its ability to impart an understanding of its ideas." Extremely academic, isn't it? It is also totally cynical--Washington desires to supervise the world and the means of mass communication are obliged to contribute to the fulfillment of this goal. This is the spirit in which USIA is managed by Charles Wick. A personal friend of the president, a millionaire who wears suits costing more than 1,000 dollars, the current USIA director requires the allocation of more and more funds for his department in order to strengthen, in his words, the "ideological battle" against the USSR and socialist countries.

To inculcate a distorted view of the world in at least a portion of listeners or even to simply sow "chaos in thought" in some young and nonresistant persons--this is the way Charles Wick and his colleagues are attempting to achieve success in the "ideological war." "Chaos in thought" can be achieved with the help of mass utilization of propaganda stereotypes, of which a special place belongs to the myth of the "Soviet military threat," a myth that is monstrous in its deception.

An attempt is made to convince us," writes Antuan Kolleta (France), "that the USSR is the aggressor. Thanks to the broadcasts from Moscow I have become convinced that this is not the case. The Soviet people are involved in creative labor--they are assimilating dry lands and building irrigation canals. There is no need for the Soviet Union to think about beginning wars that destroy man's labor." It is this truth--that the USSR does not and cannot have an interest in the arms race--that Western centers of propaganda are trying to carefully extinguish. "The most dangerous aspect of America's

system of mass information," writes Charles Obler (USA) in his letter, for example, "is that it is skilful in creating an atmosphere of verisimilitude, and only a few Americans know what oceans of information are hidden from them."

Western "voices" demonstrated special refinement in the art of misinformation with regard to events in Poland. Voice of America, Radio Free Europe, BBC and other stations literally flooded Polish national airways with their radio propaganda. Here is what Ioanna Zbeg, radio listener from Poland, writes about this matter in a letter received by Radio Moscow: "The aim of enemy propaganda is to cause our peoples to quarrel. Your broadcasts are particularly valuable because they serve the goal of bringing us closer together. Imperialists do not like the fact that real friends are extending to us the hand of friendship and that matters are becoming normalized here."

Recently the administration of the USA has begun to sharply increase the potential of the "voices" whose purpose it is to undermine us; 1.5 billion dollars are being allocated to modernize Voice of America alone. An entire network of new transmitters and retransmitters directed at the USSR, Afghanistan and other countries is being created, including in the Near East and in Southern and Southeast Asia. The fact that this is occurring during a period in which Washington is beginning a new stage in the arms race, unparalleled in scale and related to the militarization of space, is hardly an accident. After all, it is simply impossible to weaken man's opposition to the insane "Star Wars" plan without blitzing him with an entire ocean of misinformation. If only this ocean were capable of extinguishing the international anti-war movement! If only it would be possible to sow the seeds of an apolitical attitude in the souls of even the most insignificant parts of the population of socialist countries!

This will not happen. The organizers of "psychological warfare" are suffering one failure after another, but they do not calm down. Thus it is difficult to overestimate the role played by the voice of Moscow--the voice of peace, the voice of friendship and truth--under the current conditions of a bitter ideological struggle in the international arena. This is how millions of people throughout the world view Radio Moscow. This is how it is viewed by T. K. Mukhammed, a listener of Radio Moscow from Sri-Lanka: "I utilize the facts presented in your broadcasts", he writes, "in arguments with anti-communists. These facts are so apparent that even the enemies of the USSR cannot disagree with them. Thank you very much."

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WORLDWIDE TOPICS

PRESS HIGHLIGHTS SOVIET COMPLAINTS AT ILO SESSION

Absence of Equal Cooperation

PM111440 Moscow TRUD in Russian 6 Jun 85 p 3

[Article by V. Mikhaylov: "A Constructive Approach"]

[Text] In accordance with established tradition, the ILO General Conference will begin its next session in the Palais des Nations in Geneva at the beginning of June. The delegations from the USSR and the other socialist countries are going to the session with constructive initiatives which, if adopted, would help improve working people's situation.

Will the ILO resolutely support this time the just and difficult struggle for progressive social transformations being waged by working people in many countries?

The question is an inevitable one, since the organization, under pressure from the reactionary majority, has been increasingly moving away from fulfillment of its statutory goals. The ILO's activity has recently been characterized by clear disregard and belittling of questions affecting working people's fundamental rights, above all the right to live and work, by the political bias of a number of ILO organs' decisions, by an absence of the preconditions and opportunities necessary for equal cooperation in the ILO, and by attempts to use the organization for unseemly political purposes against the socialist and other progressive countries and for interference in their internal affairs.

Such trends are bound to cause concern among the progressive forces in the organization and broad strata of working people throughout the world, who are becoming increasingly aware of the need to take urgent measures to prevent the universal nature of the ILO from being undermined.

The recently adopted "Declaration by the Socialist Countries of the Situation in the ILO" calls for a radical restructuring of the organization's activity and the creation of a healthy climate of mutually beneficial cooperation within it." It notes, in particular, that the constantly growing army of the unemployed in nonsocialist countries urgently demands active and immediate action on the ILO's part. However, the ILO's contribution to resolving this problem remains, to say the least, very modest.

Nor is the ILO showing due activeness in such important questions as protecting working people's income in capitalist states from inflation, ensuring trade union freedoms at enterprises belonging to transnational corporations, and so forth.

The socialist countries pointed out in the declaration that the ILO should, within the limits of its competence, help to resolve pressing contemporary problems primarily by its contribution to maintaining and strengthening peace and international security, preventing nuclear catastrophe, and curbing the arms race, which is a heavy burden on the working people's shoulders. However, the ILO has recently been deliberately putting a brake on the development of activity connected with problems of peace and disarmament.

The declaration stresses that reactionary forces are using the organization for ideological subversion against the socialist countries and are trying to interfere in their internal affairs on the pretext of monitoring the fulfillment of ILO conventions, going so far as to make demands--impermissible in international relations--that the socialist states change their political and social structures.

The ILO's unseemly role has been displayed particularly forcefully with regard to Poland, the declaration notes. The organization has openly sided with the imperialist circles most hostile to socialist Poland and has become an instrument for flagrantly interfering in Poland's internal affairs and destabilizing the situation in the country, as a result of which the Polish Government announced its decision in November 1984 to withdraw from the ILO. The socialist countries express their full solidarity with and support for Poland's stance and its actions directed against the anti-Polish campaign in the ILO, and state in the declaration that they will take appropriate steps to prevent the organization from being used against the vital interests of the working masses, the socialist community, and the world's progressive forces.

Socialist countries' national trade union centers expressed in the declaration their deep concern at the stubborn reluctance of the ILO secretariat's leadership to contribute to the establishment of cooperation and mutual understanding among trade union movements of different political orientations. In the declaration they attribute the refusal of the secretariat, headed by FI Blanchard, to facilitate the diffusion of objective, truthful information about the role and place of trade unions in socialist society solely to political bias.

The declaration contains the demand that the ILO increase the efficiency, of its work, center its attention on the major social questions of vital interest to working people throughout the world, establish truly equal cooperation in the social and labor sphere on a nondiscriminatory basis, and actively help strengthen peace. The socialist countries have expressed their readiness to fully cooperate in radically improving the ILO's activity so that it effectively discharges its statutory tasks.

However, it has to be stated that international Labor Office Director General F. Blanchard, in particular, has taken upon himself the unsavory mission of placing obstacles in the way of this cooperation. He responded to the socialist countries' declaration with surprising haste. However, instead of behaving objectively as the organization's top official and trying to take account of the ILO states' proposals in his activity, he has adopted the viewpoint of one group of countries only, the Western countries. The question arises: Why? It is clearly not difficult to answer this—after all, F. Blanchard's political sympathies are well known.

Peace Struggle Stresses

Moscow TRUD. in Russian 12 Jun 85 p 3

"Article by TRUD special correspondent Ye. Shulyukin: "Improve the ILO's Activity"]

[Text] Geneva, 11 June--In the Palace of Nations in Geneva the 71st session of the General Conference of the International Labor Organization [ILO] is continuing its work. The reports presented to the conference by the Administrative Council and the director general of the International Labor Bureau are being discussed at the plenary sessions. Questions on the order of the day are also being considered in various committees. While noting that a certain amount of work on several concrete social and labor problems is being done within the framework of the organization, representatives of many countries are putting forth a principled criticism of the ILO's activity, emphasizing that it is not giving enough attention to questions affecting the basic interests of working people.

L.A. Kostin, Soviet delegate and first deputy chairman of the USSR State Committee on Labor and Social Questions, spoke at the conference today. He pointed out that the Soviet Union and the other socialist countries call for the radical improvement of the organization's work and for equal cooperation by all countries on a non-discriminatory basis.

Our evaluation of the organization's activity, he said, is given in the Declaration of the Socialist Countries on the Situation in the ILO. The Declaration is a serious warning to those who are striving to direct the organization's activity onto the path of political and ideological struggle against the socialist and progressive developing countries and to undermine international cooperation in the social and labor area.

The Soviet representative dwelt especially on the problem of preserving peace, a problem which now is causing concern among all progressively thinking people. The arms race, he said, is taking on un-heard-of dimensions. The nuclear means of mass destruction which have been amassed are enough to wipe out all life on earth all at once.

The Soviet Union, together with the other socialist countries, is undertaking expedient energetic measures to prevent mankind from slipping farther toward the brink of the nuclear abyss. These measures and initiatives are

quite widely known. Thus, the Soviet Union proposes a tentative nuclear arms freeze. We call for speeding up the conclusion of a complete and general nuclear weapons test ban treaty and for carrying out appropriate negotiations to this end. The socialist countries' call for the nuclear powers to obligate themselves not to be the first to use nuclear arms is becoming urgent. As is known, only the Soviet Union has already taken such an obligation upon itself. Equally well known is the socialist countries' resolute call for preventing the militarization of space.

These steps accord with the aspirations of the peoples of the world, who are deeply concerned over the current course of events. We are convinced that a world war can be prevented but that the struggle for peace and general security is a difficult task and demands greater and greater efforts from everyone.

However, ignoring the opinion of millions of laboring people and their unions, the ILO is not making its necessary contribution to the cause of strengthening the security of the peoples. The problem of disarmament should occupy its deserved place in the organization's program and become an answer to urgent demands in the area of increasing employment and raising working people's standard of living.

Further, the Soviet representative discussed the ILO's regulatory activity. Life itself, he said, dictates that, in response to the realities of our day, we deal with a whole complex of questions of regulatory activity and a monitoring mechanism. Nonetheless, at the 229th session of the Administrative Council at the initiative of the director there was adopted a resolution to create a working group on international labor regulations; this is an organ of limited make-up, since it includes no managers of socialist enterprises and has no fully authority to consider questions of monitoring compliance by states with ILO conventions. The political reality of this Administrative Council resolution is the striving by reactionary forces in the ILO and its secretariat to impede the realization of the socialist countries' proposals for the democratization of the ILO's monitoring mechanism.

The ILO's reactionary forces continue to use the organization for ideological sabotage against the socialist countries.

The delegate of the USSR recalled the ILO's unseemly role, which was especially blatant in regard to the Polish People's Republic [PPR]. The organization openly sided with those circles most hostile to socialist Poland and turned itself into a tool of crude interference in the PPR's internal affairs, as a result of which the Polish Government declared its withdrawal from the organization. The Soviet Union expresses its complete solidarity with the PPR's position in regard to the ILO and declares in this connection that such activities in conflict with the UN Charter undermine the principle of universality of the organization's universal character, undermine faith in it and can lead to its collapse.

L.A. Kostin spoke in detail about the Soviet Union's successes in the 40 years since the war in economic and social construction. He pointed out that at the present time the Soviet Union is approaching the solution of qualitatively new economic and social tasks. These are above all the scientific and technical modernization of production and the attainment of a high world level of labor productivity. These are profound changes in the area of labor and in the material and spiritual conditions of people's lives. These are the activization of the entire system of political and social institutions and the deepening of socialist democracy and the self-government of the people.

The Soviet Union is a state of the working people, the Soviet delegate said in conclusion. It will actively struggle so that the organization calling itself the International Labor Organization will actively defend the chief rights of the laboring people--the right to life and the right to labor.

Trade Unions in Socialist Society

PM211423 Moscow TRUD in Russian 18 Jun 85 p 3

{Own correspondent Ye Shulyukin dispatch: "Saving the World From a Nuclear War; at the ILO General Conference"}

[Excerpts] Geneva, 17 Jun--What needs to be done to enhance the efficiency of the International Labor Organization [ILO] in upholding the working people's interests? Many delegates are asking this question during the debate at the 71st session of the organization's general conference which is currently under way at the Palais des Nations in Geneva.

Addressing the plenary session today, AUCCTU Secretary A.M. Subbotin, representing the Soviet working people, noted that the director general of the International Labor Office failed to expound objectively on the experience of the socialist countries in his report. He declared that the AUCCTU was ready to assist the ILO in compiling publications and organizing seminars on the role and position of trade unions in socialist society.

While in no way seeking to present matters as if there were no difficulties or unsolved problems on our side, the Soviet delegate said, it must be noted that Soviet trade unions' opportunities for upholding the working people's legitimate interests are constantly increasing. The spectrum of their rights has been considerably expanded by the law "On Labor Collectives and the Enhancement of Their Role in the Administration of Enterprises, Institutions, and Organizations" adopted in 1983.

Providing a fuller picture of the socialist countries' experience in the sphere of labor relations is important not only from the viewpoint of revealing the methods and forms used in dealing with these problems under socialism. It is also a question of objectively assessing the implementation by socialist countries of the ILO conventions which they have ratified.

And that means that the ILO must in its supervisory activity take into account the specific features of member countries' political and social systems. As is known, the order and procedures which have developed in the ILO in the monitoring of the application of international labor norms are based on capitalist legal system practices alone. Now, bearing in mind the changes which have taken place in the world--and this cannot be ignored--they clearly conflict with existing realities and this leads to one-sidedness in the ILO's activity.

Touching on the global tasks which face the ILO, the Soviet representative noted that the ILO has so far failed to draft and adopt a convention on the right to work which is one of man's fundamental rights. The "World Employment Program" which was proclaimed a few years ago has essentially collapsed. The constant growth of the army of unemployed in nonsocialist countries insistently demands that the ILO take vigorous and urgent action.

One of the main reasons for social program cuts and curbs in capitalist countries is the arms race, the AUCCTU secretary went on to say. Recently all progressive mankind has widely celebrated a historic date--the 40th anniversary of the Great Victory--and has rightly paid tribute to the unparalleled feat of the Soviet people who bore the main brunt of the battle against fascism. World War II has taught us many lessons. And the main one is that it is necessary to fight against war before it starts.

The main issue, the main task of the present is stopping the arms race, above all the nuclear arms race, preventing the militarization of space, switching to disarmament, and ensuring universal security. There is no sensible alternative to the policy of peace and cooperation. It is not enough now to speak about the danger of war and the need to save the world from a nuclear war. Specific, practical action is needed and, in accordance with its charter, the ILO is called upon to prove its allegiance to the ideals of peace.

The range of problems which the ILO is called upon to handle is extensive. Nonetheless, there are problems which are especially acute and pressing, problems which concern all the working people. It is to these problems that the "Declaration of Socialist Countries on the Situation in the ILO" is devoted.

We are waiting, the representative of the Soviet trade unions said in conclusion, for the ILO to finally face up to life and the working man's concerns and aspirations.

Bloc Threatens 'Withdrawing Contribution'

Moscow APN DAILY REVIEW in English 20 Jun 85 pp 1-2

[TASS item: "Statement by a Group of Socialist Countries in ILO"]

[Text] A group of socialist countries at a session of the general conference of the International Labour Organization declined to support the tabled draft program and budget of the ILO for 1986-87.

The joint statement of the delegations of the USSR, Byelorussia, the Ukraine, the German Democratic Republic, Czechoslovakia, Hungary, Bulgaria and Mongolia said that like before, the drafts failed to reflect the concrete proposals of the socialist countries. The statement stressed the need to revise the world employment program from the standpoint of combatting unemployment, working out and adopting in the ILO a program of action to elaborate and carry out national and international policies of limiting unemployment and expanding employment, and ensuring the right to work. A serious restructuring is needed of the mechanism of control over the application of the adopted conventions based on the principles of justice and equality.

The urgent calls of the socialist countries on the ILO to make an appropriate contribution to international cooperation in the field of disarmament had still not been properly reflected in the program. Instead, the joint statement said the ILO's activities in favour of employers, to promote the "free market" principle and lay the groundwork for profitable operations by private capital in developing countries were becoming ever more busy. Such an approach on the part of the senior officials of the ILO secretariat did not meet the aims of protecting the interests of the working people and the requirements of independent development of the newly-free countries.

The authors of the statement pointed in conclusion to the inadmissibility of continuing discrimination against representatives of socialist enterprises in different agencies of the ILO and warned that if the practice was not discontinued, they would resort to measures of financial nature and be withdrawing from their contribution to the ILO budget from January 1, next year, the funds going to finance the business activities of the organization.

(TASS, June 19. In full.)

Wrap-up Report on Session

PM101101 Moscow TRUD in Russian 30 Jun 85 p 3

[Own correspondent Ye. Shulyukin dispatch: "The Results of the 71st Session of the ILO General Conference: Important Problems Await Resolution"]

[Excerpts] Geneva, 29 Jun--The 71st session of the ILO General Conference has finished in Geneva.

Each such conference marks the summation of a year's work by this specialized organization designed to defend working people's rights and interests. Has the ILO succeeded in the last year in advancing the solution of those problems which are worrying working people?

Unfortunately, the past session cannot be described as a landmark in the ILO's life. Some positive work was undoubtedly accomplished, which we will speak about later. But on the whole it cannot satisfy working people. The General Conference was unable to overcome the phenomena of deep structural and political crisis which have affected the organization.

Resolute demands for urgent and radical changes were made with great force at the conference. Delegates from many countries declared from the conference rostrum that it could not continue in this way. The "Declaration of Socialist Countries on the Situation in the ILO," which from a position of principle provides an assessment of the organization's activity and makes important proposals for restructuring ILO activity on a democratic and equitable basis, generated a large response at the session in this regard. Major social questions of vital importance to working people should form the focus of the organization's work. It is essential to establish genuinely equitable cooperation in the social and labor sphere among all countries and parties on a nondiscriminatory basis.

Many delegates pinpointed the struggle for the right to peace and the right to work as one of the most urgent tasks facing the ILO.

Last year the socialist countries put forward a proposal that a special ILO program to be called "Socioeconomic Aspects of Disarmament" be elaborated. It involved a whole package of measures designed to counter the pernicious consequences that the arms race is having on working people--in particular, the carrying out of research and the organization of international conferences and ILO seminars on the socioeconomic aspects of disarmament.

At this present General Conference session, too, the delegates of socialist countries and many developing countries, as well as spokesmen for working people, directed delegates' attention to the need for the ILO to actively involve itself in solving this very important present-day issue. They pointed out that in the present extremely dangerous situation, in which imperialist forces have launched an unrestrained arms race and are trying to carry it into space, measures to prevent thermonuclear war, strengthen peace, and carry out disarmament are acquiring paramount significance.

These problems, it was stressed at the conference, directly affect the ILO's competence, since any serious social programs can only be carried out given peace and the curbing of the arms race. The organization does not have the right to ignore the will of the millions of working people who are taking a most active part in the antiwar movement. But reactionary circles within the ILO remain deaf to the demands of the working masses. They have managed to prevent these important issues from being represented in the organization's program of activity for the next 2 years.

Working people are also dissatisfied by ILO activity in the sphere of employment and the fight against unemployment. Its contribution to resolving this problem remains very modest. Life meanwhile rushes on. The army of the unemployed grows steadily, both in capitalist countries and in many developing ones. The ILO has not yet managed to get the right to work, a basic right of working people, enshrined in international convention. The organization is unjustifiably squandering its resources and efforts in the unemployment field on secondary questions and projects which do not resolve the problem.

Heated disputes arose at the session concerning the ILO mechanism for monitoring the application of state conventions and recommendations. Many delegates pointed out that democratization of the ILO monitoring organs is an essential condition for the improvement of the organization's whole activity. Criticizing the ILO shortcomings, the socialist countries representatives advocate the establishment in the organization of genuine and equal cooperation among all member countries in the social and labor sphere for the good of the working people. This dictated their proposals to improve and democratize the ILO mechanism for monitoring the application of international labor norms.

It should be noted that the draft resolution on democratizing the ILO monitoring mechanism submitted for the present session's examination by a number of socialist countries was one of five priority draft resolutions. This shows that the restructuring of the monitoring mechanism is recognized as timely and necessary by the majority of delegates.

The General Conference discussed and adopted a number of normative international documents which will play a positive role in defending working people's rights and interests. This concerns the work of the occupational hygiene and safety services in certain dangerous jobs and equality for women in the employment field. Following the breaking of the resistance of employers in capitalist countries, the working people's representatives introduced a number of provisions into these documents which will help improve working conditions and work safety. Despite the stance adopted by the United States and the representatives of big capital, positive results were achieved on the issue of women's equality. The resolution adopted on the problem under discussion defines it in the light of the aims of the UN Decade of Women: Equality--Development--Peace. The document contains a number of important provisions and aimed at protecting working women in the sphere of employment, working conditions, and pay, as well as enhancing their role in the life of trade unions and the whole of society.

The present session did not pass without attempts by reactionary circles to exploit the organization for their own unseemly political ends. They undertook, in particular, yet another anti-Polish action. But the provocative attacks were resolutely rebuffed by the representatives of the socialist countries and a large group of developing countries. The socialist countries' firm stance, constructive criticism, and the detailed proposals contained in their "Declaration on the Situation in the ILO" gave serious pause for thought to those who would keep the organization sidelined from the very important events of the present and divorce it from the vital problems of the broad masses of working people. Because it is those circles which will bear all the responsibility if working people come to doubt the point of this international organization's existence.

WORLDWIDE TOPICS

EFFECTS OF OIL PRICE RISES ON WESTERN ECONOMIES ANALYZED

Moscow APN DAILY REVIEW in English 25 Jun 85 pp 1-4

[Article by B. Rachkov, economic affairs commentator: "Oil in the Market Economy Labyrinth"]

[Text] In the 1960's fuel producing corporations' fierce rivalry led to oil domination in the supply of energy to the capitalist economy, through the heat potential of known oil reserves in the Western and developing states, according to world energy congresses' data, is only one-sixth of that for other types of fuel. But the other fuel types, calling for larger capital and labour inputs, happened to be pushed far into the background by competition. This excessive dependence on one energy resource was singularly precarious, as any supply failure could spark a crisis.

The potentially crisis disproportion in fuel production and consumption was compounded by explosive relations between the industrialised capitalist states which use about 80 percent of the oil, and developing countries, which accounted for over 70 percent of capitalist-world oil production. Having established control over other nations' oil, Western corporations up to the seventies pumped it out without due compensation, at low monopoly prices.

Capitalist energy supply rested not just mainly on oil, but on cheap, plundered oil. The low oil and black oil price, in particular, rendered the coal industry unprofitable. As a result, hundreds of coal mines in Western Europe and America were closed. Research to obtain ecologically acceptable and cost effective liquid and gaseous fuel from hard combustible rocks almost stopped. Work on basically new, renewable energy sources slackened.

In consequence, when in the early seventies the capitalist world faced an acute oil shortage, alleviating it with supplies of other energy sources proved impossible. The capitalist economy choked. Hundreds of industrial plants had to close, unemployment grew and there were other painful signs of malady. The oil crisis was accompanied by a jump in oil prices from 3-5 to 12 dollars a barrel.

Then many capitalist states urgently devised national fuel and energy crash programs. These aimed at lowering oil's role, and especially that of imported oil. It was assumed that large state grants would bolster up the programs.

Militarism Takes Away the Money

But they were short of funds from the beginning. In the second half of the seventies reactionary NATO circles launched a new round of the arms race. It has since swallowed up about \$2 trillion in the bloc's countries. Hundreds of billions of dollars that could have been used for civilian needs, including power engineering development, have thus been wasted.

Inflation aggravated the dearth of capital. Investors feared long-term placements as condemned to inflationary depreciation before not-quick returns. Though slightly accelerated, Western energy development by no means met the goals set.

So at the end of the seventies the West found itself even more dependent on imported oil. It fell upon this oil with still bigger greed than at the previous low prices. In 1979 industrialized capitalist states imported from Third World countries about 1.5 billion tons of oil and products, or 0.2 billion tons more than in 1973. Liquid fuel was imported not only for current, but also largely for future needs.

All this meant further unbridled plunder of those countries' unrenovable natural resources. Instead of normalising relations with them, neocolonialism began to nurture plans for near-military control over the OPEC members' oil. This took expression in a large U.S. naval buildup in the Middle East and the attendant piratic raids on Arab lands in collusion with Israel.

The tension in the area of major "oil treasures" only added to the Western corporations' feverishness. Acute shortages recurred in the years 1979-1981, the aftermath of which became known in the West as the second oil crisis. The price of oil soared from \$12 to 34 per barrel.

By the way, as shown by numerous industrial experiments carried out by then in the United States and Western Europe, only at such or about such a price did it become profitable to work the West's own fairly rich energy resources, including oil extraction from great depths and in the difficult-of-access North Sea and Alaskan fields.

On the whole, the new oil price finally overcame Western investors' fear of omnivorous inflation, as well as of the high cost of long-term energy projects. At the start of the eighties investments steeply rose throughout the Western fuel and energy setup, including resource saving undertakings. Oil companies' 1981 output alone exceeded \$100 billion, compared to \$50 billion in 1978. But in the early eighties another protracted slump hit the capitalist economy, again slowing investment activity.

The decline of industrial production and transport, with a parallel increase in energy savings, cut the demand for energy resources, including oil. Obeying the market, the price of oil began to fall. In the period 1983-1985 it has fallen to 28 from 34 dollars, or by about 18 percent.

The trend has alarmed many foreign experts. They fear further price lowerings will undermine the profitability of already-launched energy projects, thus throwing the West back to energy-crisis positions. The more far-sighted Western strategists, according to London's *ECONOMIST*, shudder at the thought of a possible further free fall in oil prices.

A Dollar Tribute to the Pentagon

The 1983-1985 oil price reduction, nevertheless, could have benefited oil importers, who would have had to pay less for it. But actually the payments even rose, making Western economists speak about a "third oil shock." The U.S. dollar's upwardly rigged value accounted for that.

The fact is that U.S. corporations and banks' retention of substantial control over oil transport, refinement and sale in the capitalist world gives the U.S. dollar a role there as the chief, almost sole currency of payment for oil. Practically every capitalist oil-importing state first buys dollars with its national currency, and then pays for its oil imports with them.

Caused by a new fit of war hysteria, the U.S. Government's incessant drawing on the money market for every new dollar loans has entailed a rapid growth in the demand for dollars. This demand largely hinges on financial resources being pumped out from other countries, and the channel for this is the dollar's extravagant exchange rate.

According to Western statistics, from July 1980 to the beginning of 1985 the dollar rate against ten other leading capitalist currencies went up by 73 percent. So the cost of oil imports for other countries rose accordingly. But it has actually become 18 percent less for the United States, thus giving American corporations an important edge over their West European and Japanese competitors. The overall sum of the world-oil-market advantages gained by American big business is already put by foreign experts at several dozen billion dollars.

United States imperialism does not lose the slightest chance of enriching itself at others' expense, including its allies in economic and military blocs.

EKONOMICHESKAYA GAZETA No 22, May 1985. In full.)

CSO: 1812,284

WORLDWIDE TOPICS

BRIEFS

FOREIGN POLICY DOCUMENTS PUBLISHED--The first book of the volume "For Peace and the people's Security. Documents of USSR Foreign Policy. 1968" ["Za Mir i Bezopasnost Narodov. Documenty Vneshney Politiki SSR. 1968"] prepared by the USSR Foreign Ministry has been published. It covers the period from January through June. The book's materials attest to the steady and consistent implementation of the Leninist peace-loving foreign policy course of the CPSU Central Committee and the Soviet Government and the intensive efforts of the USSR and the fraternal socialist countries to develop and improve cooperation among them in every possible way. They show the Soviet Union's desire to develop bilateral ties with the capitalist states. The volume reflects the further growth of the USSR's international prestige and influence. The book is published by the Political Literature Publishing House. [Text] [Moscow PRAVDA in Russian 10 Jul 85 First Edition p 4 PM]

CSO: 1807/392

EAST-WEST RELATIONS

U.S. SAID TO PRESSURE ALLIES TO LIMIT EAST-WEST TRADE

LD281603 Moscow World Service in English 1410 GMT 28 Jun 85

[Commentary by Viktor Olin]

[Text] The United States administration exerts permanent pressure on its allies in a bid to undermine their trade and economic contacts with the socialist countries. More on this from our observer Viktor Olin:

This pressure is at times so uncereemonious that America's partners show outright indignation. That was the way, for example, officials in Bonn responded to Washington's attempts to further restrict Federal Germany's trade with the Soviet Union and the other socialist countries.

The official pretext for the policy of diktat is to check the delivery to the socialist countries of the latest technology and manufactured goods. A secret report of the CIA has been published in the United States. It contains direct attacks on Federal Germany. As Lorenz (?Schamerulsh), a spokesman of the Economics Ministry says, the report is full of falsehoods concerning laws, administrative procedures, and also the intentions of Federal Germany.

As an instrument of pressure, Washington makes wide use of the Coordinating Committee for Export to Communist Areas or COCOM, a body it has thrust on its West European allies. We are especially concerned, one of the officials of Federal Germany's Foreign Ministry said, as the image grows that the United States is using COCOM controls as an embargo instrument for high technology overall.

Richard Perle, assistant to the United States defense secretary, is displaying special zeal in imposing restrictions. He is reported to have initiated a number of discrimination moves ranging from attempts to interfere with the export of conventional equipment to recommendations that research workers in Federal Germany be checked for political loyalty. Understandably, such methods cause anger in Federal Germany, including in its official circles, since they show that the United States Administration wants America's partners to pay for its own trade and economic policy.

The inflated rate of the dollar has had an adverse effect on export potentialities of the United States and it is taking a number of measures to

retrieve its own losses with the help of its rivals. One of the measures is to restrict their trade with the socialist countries. This policy tends to aggravate such an acute social and political problem as unemployment in Western Europe. Federal Germany for one has over 2 million people out of work and the total number of jobless in the Common Market countries has topped 13 million, or more than 11 percent of the able-bodied residents. Yet, the chief aim of Washington's discrimination policy is to promote further subversive activity against the socialist countries in the economic, and also in the political, ideological, and military spheres.

As the delegates of the Warsaw session of the Council for Mutual Economic Assistance, CMEA, have underlined, emphasis is laid on weakening socialism economically. The Soviet Union and its allies counter this course with their invariable policy of developing normal, equitable relations with the capitalist countries and their economic groups in the spirit of the Helsinki accords. This kind of cooperation meets mutual interests. It would also help improve the situation in Europe and in the rest of the world.

CSO: 1812/283

EAST-WEST RELATIONS

NEW STAGE IN WESTERN 'PSYCHOLOGICAL WAR' AGAINST USSR SEEN

Kiev POD ZHAMENEM LENINIZMA in Russian No 6, Mar 85 pp 49-51

[Article by P. Fedoseyev, academician, vice-president of the USSR Academy of Sciences, under the rubric "On the Fronts of the Ideological Struggle":
" 'Psychological War' -- A Tool of Imperialist Aggression"; passages enclosed in slantlines printed in boldface in the original]

[Text] World history is approaching the boundary of the 20th and 21st centuries, the beginning of the third millennium. And the state of affairs in which humanity approaches this boundary will in large part define the course of further historical development.

The twentieth century of our chronicle of years will go down in history as the century of the birth and strengthening of real socialism, of a marked shrinking of capitalism's sphere of dominance and of its internal dissolution, of the downfall of colonial empires and the appearance of dozens of new national states.

The historical experience of the twentieth century has demonstrated especially graphically that capitalism -- which has entered its imperialistic stage -- is in every respect the principal hindrance to progress and the greatest obstacle on the path to the resolution of humanity's fundamental social problems. These problems have already been or are now being successfully resolved in socialist countries. Capitalism is the culprit behind the fact that in the greater part of the world the exploitation of one human being by another and racial and national oppression continue and grow; that the chasm between the rich and poor is growing deeper; that international tension and the threat of nuclear catastrophe are inflamed and that all global problems are becoming more acute.

Real socialism appears in the role of the most dynamic social system, full of vital force and capable of performing the very greatest historical feats. The successes which socialist countries have already achieved in social and economic development, in the improvement of culture and the welfare of the masses and in the affirmation of equality and justice are visible proof of the inexhaustible possibilities of the new order and its indisputable superiority over capitalism. The combination of these advantages with the achievements of the scientific and technical revolution is now aiding and is capable of doing even more to aid the progress of socialist society and the elevation of the working person as the principal shaper of history. The attractive power of socialism is growing; it is the fundamental bastion of peace and the security of peoples

and the decisive factor in the struggle against the aggressive policy of imperialism and the threat of a worldwide nuclear conflagration.

/Real socialism today is at the center of a stepped-up ideological struggle in the world arena. This is understandable, for it is precisely real socialism which is the definitive link in all present-day world social development; it is against real socialism that all the malicious ideological and political attacks of the imperialist bourgeoisie are directed./

The present stage of the ideological struggle is notable for particular tension and a scale unprecedented in the entire postwar period; it surpasses even the hostility of the period of the notorious "cold war" in its intensity and degree. The most aggressive circles within imperialism, particularly American imperialism, openly proclaiming a course toward unchecked militarization and the achievement of military superiority over the USSR, have commenced global, state-organized "psychological warfare" against countries in the socialist commonwealth. Lies and demagoguery, hypocrisy and incitement, provocation and espionage: all these have been set in motion.

The present mass propaganda campaign by American imperialism has already gone on for several years. It began during President Carter's term and has been carried to extremes under the Reagan Administration. Reagan, the head of the American state, has declared the Soviet Union to be an "empire of evil" and proclaimed a "crusade" against communism.

The main goals of this campaign are no secret: to make the internal situation in socialist countries more difficult, discredit real socialism in the eyes of the nonsocialist portion of the world and ensure an ideological foundation for the course of Washington and its NATO allies toward an unlimited buildup of nuclear weaponry.

Under the pretense of a mythical "Soviet threat," the White House tries to convince Americans, Western Europeans and the Japanese of the necessity of "catch-up armament," i.e. military dominance, an increase in economic and scientific and technical pressure on the USSR and other countries in the socialist commonwealth and the intensification of intelligence agencies' secret war against them. They are conducting an active search for "vulnerable points" in the economy, policy and ideology of socialist countries, so as to be able to carry out at the proper moment measures for the direct destabilization of the situation in one or another of these countries.

History shows that each time that the aggressivity of imperialism has increased sharply and the influence of militarism has grown, then the intensity of ideological attacks on socialism has been stepped up as well and raised to the level of a "psychological war" of diversionary activity against the Land of the Soviets and its peace-loving foreign policy course on the international scene.

From the very first days of the existence of Soviet Russia, bourgeois propaganda, attempting to justify both the hostility of ruling circles in the West toward the socialist revolution and military adventure undertaken by their governments against the Soviet republic, began to intimidate the world with the "communist

peril." Even then imperialist ideologists were proclaiming the necessity of protecting the world from the influence of communist ideas. The press in England, Germany, France, the USA and other countries participated actively in a slanderous campaign intended to divert the attention of the masses first from preparation for anti-Soviet intervention, and later from the cruel acts perpetrated by the interventionists on Soviet territory.

Unmasking the ideological henchmen of imperialism, V. I. Lenin said: " There does not exist a lie or slander which they would not direct against Soviet power. Right now one may state that the entire Anglo-French and American press is in the hands of capitalists -- and it controls billions -- and that it all functions as a single syndicate, hushing up the truth about Soviet Russia and spreading lies and slander against us ("Complete Works," vol 37 pp 164-165).

Carrying out blatant piracy, international capital stimulated the incitement of malicious campaigns by the bourgeois press; these were aimed at creating a smoke screen for their own aggressive anti-Soviet policy. V. I. Lenin observed at that time: "The universality and the planned nature of this campaign indicates that we are seeing here some sort of well thought-out plan by all leading governments (ibid, vol 43 p 123).

From the very first operations of the bourgeoisies's "psychological war," which employed the method of intimidation of the people's masses, using the "Red peril" from the East as its weapon, the "world press syndicate" opened, in the words of V. I. Lenin, "a worldwide imperialist campaign" against the forces of socialism and progress. At that time Western propaganda was already presenting the policy of anti-Soviet intervention as a "crusade" for the "restoration of democracy." Of course, cases of cynical violation of legal standards by the United States, England, France, Japan and other capitalist powers were ignored, as was the cruelty of participants in the expedition to "bring democracy" to Russia.

Even then legends about the "export of revolution" and a "military threat" from the East were being created and rehashed in various versions; this was done in order to justify intervention by imperialist powers against the new Soviet Republic. "There are stupid people," wrote V. I. Lenin in 1919, " who scream about Red militarism; these are political charlatans who pretend that they believe this stupidity and fling such accusations left and right, utilizing thereby their legal skill to set up false reasoning and to throw sand in the eyes of the masses." (ibid, vol 38 p 50).

The treacherous attack on the Soviet Union by Hitler's Germany was also preceded by intensive ideological preparations. The Fascist clique raised "psychological warfare" to an unprecedented level and turned it into an inherent part of "total war." It is a fact that the first country to utilize radio propaganda aimed at foreign audiences for subversive purposes was Fascist Germany. Declaring upon Marxism a "war of world views to annihilation," the German Fascist propaganda apparatus made use of the most blatant, impudent methods of lies, slander and provocation and subtle means of deceiving ordinary citizens. These most evil enemies of democracy and repressors of the freedom of peoples portrayed themselves as defenders of the "Western world" from the "Red deluge." The immense mechanism of "psychological warfare" was set in motion.

Modern aspirants to world domination evidently learned nothing from the defeat of Hitlerism. They too, in search of ways of realizing this maniacal idea, an idea which is ruinous for the world, mobilized their ideological apparatus and turned to the old arsenal of ideological and psychological means of influencing the masses. There appeared in Russia the notorious "Voice of America," which people here rightly call the "false voice." Imperialist theories of the defense of the "free world" occupy an important place in the military-political and military-strategic concepts which formed the basis for the creation and functioning of aggressive military blocs, in particular NATO. These theories are utilized to justify the arms race unleashed by the United States and its partners. Methods of ideological diversion are again predominant in the forms and methods of bourgeois propaganda; the accent is on militaristic propaganda, which essentially represents ideological preparation for a new war. Washington's propaganda actions are acquiring an ever more openly aggressive nature.

Long-term propaganda campaigns are a relatively new phenomenon in the strategy of imperialism in the ideological struggle against the new world. Such large-scale imperialist actions include campaigns concerning the "Soviet threat" and "human rights violations" in the USSR and other socialist countries, concerning the ties of the USSR and other socialist countries to "international terrorism" and concerning the "crisis of the Soviet economy." One should particularly note the broad scale and uninterrupted nature of these campaigns, which are based on utilization of the latest technical means, particularly radio broadcasting, and their coordination at the international level. These campaigns are directed toward both the populace of socialist countries and the home audience.

All of this yields the basis for the conclusion that /ideological struggle on the part of imperialist powers has taken on the characteristics of total "psychological war."/

The class enemy has set himself the goal of eliminating the socialist system from the world scene. "Imperialism," it was noted at the June (1983) CPSU Central Committee Plenum, "sees 'psychological warfare' as one of the principal methods of attaining its goal. This warfare is conducted by the West on the highest, one might say, hysterical, anti-Soviet, anticommunist note. The enemy has set out upon outright piracy on the airwaves. We are dealing with attempts to organize a true information and propaganda intervention against us, to turn radio and television channels into a tool for interference in the internal affairs of states and for the conducting of subversive actions."

The ideological struggle between capitalism and socialism, being one of the forms of class struggle, has never slackened and cannot slacken so long as a bourgeois and a Marxist-Leninist ideology exist. At the same time it is essential to see the substantial differences between ideological struggle and "psychological warfare."

Ideological struggle assumes an open contrasting and defense of one's own views and theoretical and political concepts without interference in the internal affairs of other states. Communists have always been and continue to be in favor of just such an open, principled debate with all of their ideological opponents. It is imperialism which cannot count on the success of its reactionary and aggressive ideas.

Noting the intensification of the ideological struggle on the world scene, the 26th CPSU Congress stated: "For the West this does not consist merely of a conflict of ideas. It has set in motion a whole system of means aimed at undermining the socialist world and undoing it."

As a component part of the bourgeois ideological process, "psychological war" possesses specific traits which differentiate it from ideological struggle. In the broadest sense of the word, "psychological war" is a system of actions connected with the uninterrupted, all-round, coordinated and purposeful utilization of diverse means: lying propaganda and demagoguery, economic, diplomatic and other pressure and acts of espionage and diversion; provocations, military maneuvers, local armed operations designed as a show of strength; and corresponding influence on the consciousness and behavior of the citizens of socialist countries.

From this it becomes clear that "psychological warfare" is of an illegal nature, inasmuch as it is connected with interference in the internal affairs of socialist states and is aimed at damaging and weakening their state and social order. It is for this reason that it represents a form of subversive activity, not ideological struggle.

The most important characteristic of "psychological warfare" lies in the fact that it serves as the ideological or, more precisely, the demagogic basis for the foreign policy of imperialism's most aggressive forces, which is directed toward material preparations for war.

The myth of the "Soviet threat" is intended to create an ideological cover for the deployment of American intermediate-range missiles which has begun in Western Europe, and to justify the aggressive, militaristic foreign policy course of the USA, aimed at destroying the present approximate balance of power, attaining strategic superiority over the USSR and achieving world domination.

The falsehood of this myth is confirmed by many sober-thinking politicians and even military personnel in the West. Thus, retired Dutch General Meienveldt has written: "Psychological warfare, which was once called with full justification 'a war before a war,' is intended to prepare the public or to strengthen existing readiness for military contradictions (confrontation). It is designed to create an image of the enemy, arouse a psychosis of fear and a readiness for conflict. The legend about danger from the East exists inasmuch as the Soviet Union itself exists... To this very day it continues to crop up in ever new versions. It played an important role in the Cold War period, having the goal of reigniting the arms race, constantly expanding military expenditures and introducing ever more perfect weapons systems."

In addition, militarism and the stirring up of international tension have a destructive effect on the internal political and social life of capitalist countries, and give rise to dangerous tendencies in the psychology of the public.

Firstly, they create a psychology in the mass consciousness of fatalism, social pessimism and passivity in the face of acute social problems and particularly as regards the most serious of all: the problem of preventing a

thermonuclear cataclysm. Secondly, in the atmosphere created by a militaristic campaign, the "besieged fortress" atmosphere, the raging of alarmist, ultra-nationalistic and (ultra-Atlantic) passions, attitudes of chauvinism and hostility toward persons living under another social system are reinforced. Such tendencies cannot help but be an obstacle to the positive development of international relations, recognition by the masses of global problems of the modern era which are of concern to all of humanity, and efforts to resolve these problems through joint efforts.

Militarization and its sociopsychological effects divert the attention of the public in capitalist countries from real, acute internal sociopolitical problems and urgent social needs. To a greater or lesser degree this frees the hands of the most privileged strata of society, particularly monopoly capital, and permits it to pursue its own mercenary goals and flagrantly disregard the needs of the people's masses. It was not by chance that in a number of capitalist countries, militarism at the end of the 1970's and beginning of the 1980's coincided with a curtailment of even limited social reforms. The complex of ideological and political directions and sentiments connected with militarization prepares the soil in which ultraright-wing and neofascist movements take root and grow.

Under conditions of economic turmoil and an increase in calamities and deprivations for broad strata of the population, the proposed "external adversary" is presented by bourgeois propaganda in lieu of the true culprit behind the burdens of everyday life. This allows social dissatisfaction and protest by a part of the masses to be directed into a channel which is advantageous to the monopolies; simultaneously chauvinistic sentiments can be inflamed, serving the interests of the military-industrial complex.

In this fashion the myth of a "Soviet military threat" also performs diverse domestic political functions, for with its help the ruling circles of imperialist states attempt to justify the overwhelming burden of the arms race in the eyes of ordinary workers.

The activity of reactionary political factions reflects the general trend of the development of bourgeois social thought.

Neoconservatism has moved to the leading edge of the struggle against real socialism and Marxist-Leninist ideology today. /Neoconservatism is the ideology and policy of the most reactionary circles within imperialism, to whom social progress and democratic transformations of society, and even more so socialist transformations, are odious./

Bourgeois conservatism -- the attempt to preserve outmoded social systems -- has a long tradition. However, its "renaissance" in recent years, particularly in the USA, was made possible by the inability of modern capitalism to resolve in a positive fashion internal problems connected with the increase in crisis situations and to compete successfully with socialism under conditions of peaceful coexistence. Present-day neoconservatism appeared in an atmosphere of increased polarization of social forces in the modern world; it is a reaction by the most reactionary circles within imperialism, first, to the successes

of world socialism, the communist movement and the national liberation struggle, second, to democratic movements within capitalist countries and, third, to the process of detente in international relations.

The rise of neoconservatism in the social theory of the USA, the FRG and other countries means that liberalism as a convenient ideological platform in a period of relative improvement of the economic and political situation does not sit well with the ruling powers in a period of growing crisis at the foundations of capitalism. In their own sphere, acting in cooperation with a hawkish Washington lobby, the theoreticians of bourgeois conservatism present themselves as the ideological defenders of a system in which racism, militarism and social injustice flourish. The "personal union" of prominent propagandists for the expansion of military and political might with the theoreticians of neoconservative ideas in sociology and social philosophy is no coincidence. Such well-known figures in bourgeois sociology and public relations as Z. Brzienski, S. Lipsett, D. Bell and many others are on the membership lists of all sorts of reactionary committees. This sinister unit is being continually supported and reinforced.

/The cult of strength and dominance, glorification of an elite and contempt for the people's masses form the basis of neoconservative ideology. Its philosophical positions are founded upon the reactionary sociological concepts of racism and the "egotistical" nature of human beings./

Theories which do not aid in but rather place obstacles before the preservation of peace would not have become widespread without the influence of neoconservatism. These theories come in various shades, ranging from advocates of war as an element which is supposedly good for humanity and acceptance of war as an eternal law of human existence, to fatalistic submission to the inevitable evil of war. The concept according to which the causes of war are inherent in human nature, inherent in man's natural "combativeness," "innate aggressivity," "warlike instincts" etc, is anti-humanitarian and philosophically unfounded.

The theory according to which a further accumulation of weapons by NATO allegedly serves the cause of ensuring "balance" in the world and preserving peace represents a particular danger. Reasoning about economic growth and increased employment on the basis of expanded military production is of an obviously demagogic and spurious nature. One encounters the downright cannibalistic reasoning of certain theoreticians to the effect that in conditions where natural resources are becoming progressively scarcer, only wars of extermination can regulate population and make human survival possible.

The ideology of neoconservatism serves as the spiritual weapon of reaction in both domestic and foreign policy.

Neoconservatism regards the Soviet Union as its principal enemy, therefore due to its nature present-day anticommunism has become synonymous with anti-Sovietism. This "merger" proposes the isolation of the Soviet Union and the carrying out of a "selective" approach to individual socialist countries; this is aimed at "tearing them away" from the world socialist commonwealth.

/The basic slogan of neoconservatism is defense of the "free world," i.e. imperialist domination. Under its guise are carried out the arms race, the assault on workers' rights, international terrorism and aggressive actions; undeclared wars are conducted; and demagogic and frequently warlike speeches are made./

According to a statement by one of the ideologists and founders of neoconservatism in the USA, (U. Rusher)-- editor of the NATIONAL REVIEW, the chief print organ of this ideological and political tendency --, Ronald Reagan is the commonly acknowledged political leader of neoconservatism today. Reagan's indefatigable anticommunism, his obstinately anti-Soviet policy and military and political adventures in various regions of the world have provoked consternation even among his supporters.

James Burns, noted historian and biographer of American presidents, in his recently published book "The Ability to Lead: The Crisis of the American Presidency" notes with what unprecedented persistence the current president and his administration conduct their adventurist course, blinded by anti-communism and anti-Sovietism. "At the beginning of the 1984 election campaign," the author writes, "the president's supporters were still searching for ways to fully support Ronald Reagan and his administration. They did not cease to be surprised by the intensity of his anticommunist stance, as well as by his adventurist, aggressive policy in Latin America, Europe and the Middle East. For some it was simply difficult to comprehend that his actions were guided by a considered, premeditated and implacable hatred of Soviet communism, that he, despite all obstacles, would so stubbornly cling to his anticommunist pose, that his individual compromises in speeches and actions were temporary tactical retreats."

The election campaign introduced some new notes into Reagan's speeches; there appeared assurances of a desire for peace, improved Soviet-American relations and the "establishment of genuine control over armaments."

Having realized that he had gone too far in his insulting attacks on the USSR and that they did not have the support of even the Western allies, President Reagan promised not to call the USSR the "center of evil" and "to convince the Soviets that no one in the world has aggressive intentions with regard to them."

/Under the influence of the firm and active peace-loving policy of the Soviet Union and fraternal socialist countries and growing antimilitaristic protests by a large world public, the American administration was forced to mask its aggressive course and use "peace-loving" rhetoric./

It is also well-known that the ideological henchmen of imperialism and the heralds of neoconservatism above all zealously defend and by any means possible justify any and all of the treacherous, aggressive plans and actions of the militarist.

Today neoconservatism, based upon chauvinism and malicious anti-Sovietism, is the official ideology of the USA and a number of other NATO countries. Neoconservatism has penetrated quite deeply into the functioning of the state mechanism in capitalist countries and serves as the ideological core of "psychological warfare."

Practically all branches of the state apparatus of the USA and other capitalist states have been drawn into the "psychological warfare" being conducted against the USSR and fraternal socialist countries. Intelligence agencies, mass information media, theater, movies and numerous institutes specializing in the struggle against communism (there are estimated to be over 150 such in the USA alone) are working on this.

Venerable legislators, trade unions bosses, emigrant groups made up of traitors and turncoats, reactionary clerical organizations and even some representatives of academic and university circles, resplendent in their liberalism and independence, join in various campaigns. They all serve as obedient mouthpieces for the "cold war," adopt completely irresponsible statements and declarations--based on false information -- condemning the "actions" of the Soviet Union and other socialist countries on the basis of practically every slanderous fabrication. Bourgeois ideologists and politicians latch onto any garbage, attempting in at least some way to defame the Soviet Union.

One cannot help but notice the unseemly role which pro-imperialist members of academic circles in the West play in the drawing up of the strategy for "psychological war." At the same time that the overwhelming majority of the world's scientists, including those in the USA, are opposed to the arms race and in favor of improved international relations, these individuals supply an abundance of pseudoscientific "concepts" and "research" for anticommunist propaganda campaigns.

/Evidently one may state that in recent years in addition to the military-industrial complex and in close cooperation with it there has arisen a sort of politico-informational-pseudoacademic alliance: it represents a close union of the government apparatus, big capital organizations and a far-flung network of mass information media and "Sovietological" "research" centers./

Various sorts of communist renegades, revisionists and reformists add their voices to the loud anti-Soviet chorus of the apologists of imperialism. Thereby the main line of attack on the Soviet Union and other socialist countries lies in the attempts of revisionist and reformist critics to prove that, supposedly, real socialism in no way corresponds to the socialist teaching worked out by Marx, Engels and Lenin. Various concepts are actively propagated, concepts of democratic, humanist, national and regional socialism, socialism with a "human face."

In the final analysis an appeal to the ideals of democracy and freedom does not bode well for the organizers of imperialist propaganda. It is more likely to be turned against them, since imperialism is every more obviously manifesting its antihuman and antidemocratic nature. It is sufficient to recall just such relatively recent examples of crimes by the rulers of the USA as the bandit-like invasion of Grenada, imperialism's support of the most odious dictatorial regimes in El Salvador, Haiti, Chile and Uruguay, the South African racists and the piracy in Lebanon -- conducted jointly with Israel --, growing persecution of democratic forces and participants in the antiwar movement, repression of trade unions and the infringement of the rights of women and national minorities in their own country.

Attempting to justify interference in the internal affairs of sovereign states, the apologists of modern-day imperialism refer to the appearance of an allegedly new type of international law, "humanitarian world law," which supposedly requires the consent of all states to bear mutual responsibility for violation of basic civil rights. However, imperialists are concerned least of all about the rights of their own citizens. The social and class tendency of theories of "humanitarian world law" is to justify imperialist interference in the internal affairs of socialist and progressive developing countries, force upon them a bourgeois concept of the rights of the individual and create favorable political and legal conditions for the activities of antisocialist and other subversive, reactionary forces.

A special place in "psychological warfare" is held by reliance on nationalism as a means of struggle against the forces of social progress. Attempts are made to combine nationalism with renewed interest in religion for the purpose of subversive imperialist propaganda. Presently the bourgeois concept of "collective nationalism" serves as a symbiosis of nationalistic and religious ideas; this concept is based on religious theses concerning the "unity of all Christian peoples of Europe as far as the Urals" and the "Muslim society" within the USSR, concerning unification of Catholics etc. The intent of this concept is to unite people of a single faith and use them to destabilize socialism by utilizing religious belief, giving it an anti-Soviet, nationalistic tendency.

/By means of such tricks, imperialist ringleaders would like to undermine the ideology of internationalism, indestructible friendship among USSR peoples, the fraternal unity of peoples in the socialist commonwealth and their union with national liberation forces. Most odious of all to the imperialists is the solidarity of workers in all nations and people of various views and beliefs under the banner of socialism, peace and free national development./

This is not the first time that the new socialist order has encountered massive, malicious attacks by class enemies. But neither attempts to destroy it by military means nor political blackmail nor economic pressure achieved their goal, and indeed, they could not achieve it. The same inglorious failure will be the fate of the present "crusade" by imperialist circles.

In the struggle between opposing world views, Marxist-Leninist ideology affirms historical initiative and increases its influence on the course of social development. It controls the consciousness of hundreds of millions of people, is continuously becoming richer and developing itself on the basis of living historical experience and represents the scientific basis for a revolutionary renewal of the world.

/In this worldwide historical process of the growth of the influence and reality of Marxism lies the main conformance to law in the development of the spiritual life of humanity in the 20th century./ Real life has completely confirmed the predictions of Marxism-Leninism on the fundamental questions of the economic and sociopolitical development of mankind. Marxist-Leninist ideology acts as a powerful tool which helps rip the masses out from under the oppression of bourgeois, nationalistic and religious notions and traditions.

/It is Marxism-Leninism which is called upon to and which can overcome bourgeois ideology, an ideology which by means of all sorts of fantasies and untruths defends private property and the exploitation which is based upon it and attempts to impede social progress./

Real socialism is every more convincingly demonstrating its superiority over capitalism, its ability to resolve the fundamental problems facing humanity.

Socialism frees peoples from the exploitation and oppression of capital, guarantees the possibility of accelerated development of productive forces, swift elimination of economic backwardness and steady economic growth rates. Thus, over the past two decades the national income of countries in the socialist commonwealth, which also includes some countries which were lagging behind in the past, increased by a factor of more than three; their industrial production increased by a factor of more than four. Although the economic development of CEMA member countries took place under more difficult conditions at the end of the 1970's and the beginning of the 1980's, their average annual production growth rates were twice as high as those in developed capitalist states.

The achievements of real socialism in the social and spiritual realms are no less significant. The creation of conditions for free and guaranteed labor, equal rights for all citizens, de jure and de facto equality of all nations and nationalities, permanent elimination of unemployment, a steady rise in the standard of living of the people's masses, genuine democracy for workers, their introduction to the values of advanced culture, universal literacy, an all-encompassing social security system -- all these and many other traits of socialist reality are characteristic of the profound humanitarian and social justice of the new social order.

Tremendous changes have taken place in the correlation of spiritual and ideological potentials, changes in the favor of the forces of peace. The peace-loving policy of the Soviet Union and other socialist countries and the unprecedented growth of the antiwar movement, developing on every continent, are a basic factor in world politics, one which exerts growing influence on its nature and content. Despite the efforts of imperial forces to turn social consciousness to the right, intensification of the conservation and militaristic foundations of bourgeois ideology, stepping up of ideological campaigns against supporters of detente and the search for new methods of ideological diversions, imperialism has not succeeded in expanding its sphere of dominance or containing the dissemination of progressive ideas.

The forces of peace have tremendous political advantages in the struggle against the forces of aggression; they are taking the offensive to an ever greater degree in their ideological actions. In capitalist countries, particularly under the influence of the danger of nuclear war, a radical shift in mass consciousness is occurring in the direction of peace. The isolation of supporters of nuclear war is increasing and the crisis at the ideological foundations of aggressive military doctrines and concepts is growing.

/Real life consistently and decisively refutes the fantasies of our opponents and exposes their reactionary nature. No matter what sort of ideological

campaigns and fabrications imperialism attempts to use to discredit real socialism and our peace-loving and humanitarian course on the international scene, all of these attempts are doomed to failure. Through the forest of fabrications and lying fantasies, despite all sorts of anticommunist campaigns and the fierce assaults of "psychological warfare," the truth about real socialism makes itself known around the world. It embodies the age-old dream of workers; the future is on its side.

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EAST-WEST IMPLICATIONS

RECENT 'ACTIVATION' OF COCOM ROLE IN EAST-WEST TRADE HIT

Moscow SOVETSKAYA ROSSIYA in Russian 1) Jun 8) p 3

[Article by S. Shibayev: "An Attack on Cooperation"]

[Text] Soon after the explosions of World War II, a war which combined the efforts of states which, though very different, were united in their striving to annihilate fascism, the winds of war began to blow again—this time in a "cold war." Its weapons were not tanks and airplanes, nor did bullets whistle on its battlefields. The cold of soldiers' graves and of the emptied houses was replaced by "coldness" in politics and trade. New "weapons" also appeared—the Marshall Plan, NATO and COCOM (Coordinating Committee of the Consultative Group on Multilateral Export Controls). Imperialism has allocated a large role to the latter organization in the economic war against the world of socialism.

At the present time the members of COCOM include all the NATO countries (except for Spain and Iceland) and Japan. This is not an international organization formed by any sort of official treaty; it is not formally included within the NATO system, but, in fact, it does operate under its aegis. The procedure of its activity is based on a "gentlemen's agreement" among the participating countries.

COCOM's staff-headquarters are located in Paris in the building of the American Embassy and, in fact, comprise an annex to it. COCOM engages in working out and revising lists of items and types of technology which are banned or limited for export to the socialist countries, or those whose export must be conducted under monitoring controls.

The Reagan administration utilizes COCOM as one of the basic tools for undermining detente, above all, on the continent of Europe. The policy of the White House pursues two goals here: to increase the effectiveness of COCOM's activity and to unify the foreign-trade course of the NATO countries and Japan along the lines of the American model. But the specific demands made by Washington on its allies comprise a unique program for "modernizing" COCOM. It includes the following tasks: expanding the list of items and technologies which are banned for export to the socialist countries; involving neutral western European and non-aligned countries, such as, for example, Sweden, Austria, Finland, and India, in "voluntary" participation into controls on exports to the CEMA countries; strengthening the organizational structure of COCOM and converting its activity onto a treaty-type basis, etc. An ever-increasing role in COCOM's activity is beginning to be played by military experts, primarily by representatives of the Pentagon.

Aimed at activating COCOM, the Reagan administration's course has led to a sharp exacerbation of the entire system of inter-imperialist contradictions. There is an abundance of examples of this. Everybody remembers the events at the beginning of the 1980's, when Washington tried in vain to subordinate the behavior of the Western European countries to the imperialist ambitions of the United States in the matter of concluding an agreement on constructing the "Siberia--Western Europe" Gas Pipeline.

Now the White House is again attempting to take its partners in hand by undermining their export positions on the world market. Recently, upon the demands of the United States, and following the example of the Belgian firm Pagar, the British companies Plessey and General Electric, as well as the Swedish concern Erickson, were compelled to cancel their orders for deliveries of equipment to the socialist countries. Today it is already a matter of imprisonment for those representatives of Western business circles who, in violation of the COCOM rules, sell such equipment and technology to the socialist countries.

Along with this, the activation of COCOM's limiting activity has not escaped the attention of the socialist countries. The socialist community has at its disposal everything necessary to ensure, by its collective efforts, its own technical and economic invulnerability. The Soviet Union, in particular, during the last few years has set up the production of many items of the machine-building, chemical, and metallurgical industries which had been previously purchased in the United States as well as in those countries which support the discriminatory actions of the American leadership. Before the end of the 1980's additional tasks will be established in this field.

At the same time, as was noted at the April (1985) Plenum of the CPSU Central Committee, the Soviet Union, as before, "advocates fruitful and universal economical, scientific and technical cooperation, constructed on the principles of mutual profit and excluding any sort of discrimination; it is prepared likewise to further expand and deepen trade relations, to develop new forms of economic ties...."

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SOCIALIST COMMUNITY AND CEMA AFFAIRS

BLOC SOCIAL SCIENCE INFORMATION INSTITUTE'S CONFERENCE

Moscow OBNCHESTVENNIYE NAUKI in Russian No 1, Jan-Feb 85 pp 171-174

[Article by P. Tsapenko, candidate of historical sciences at the USSR Academy of Sciences Institute for Scientific Information on the Social Sciences, under the rubric "Cooperation Among Scientists in Socialist Countries": "Conference of the Council of the International Social Science Information System"]

[Text] In Warsaw on 25-28 June 1984 the 9th Conference of the Council of the International Information System for Social Sciences in Socialist Countries (MISON)* was held. Participating were delegations from eight MISON member countries. The delegations were headed by the directors of MISON's separate national organs (VNO's): S. Gabrovska (PRB), D. Roza (HPR), Khoang Vi Ham (SRV), M. Krause (GDR), P. Khorloo (MPR), Ya. Shakh (PPR), V. Vinogradov (USSR) and I. Zagradec (CSSR).

Conference participants hailed the decision of the Cuban Academy of Sciences to join in the 1976 Agreement on the Establishment of MISON.

V. VINOGRADOV, director of the Institute for Scientific Information on the Social Sciences (INION) under the USSR Academy of Sciences -- the principal organ of MISON -- and corresponding member of the USSR Academy of Sciences, presented a report entitled "The Development of MISON, 1983-84." He emphasized that multilateral collaboration between the academies of sciences in socialist countries in the realm of information on the social sciences has in recent years been aimed primarily at improving the quality of all informational work. This was caused by the necessity of raising the level and increasing the effectiveness of the social sciences. An important task of the institutions working together in MISON is to ensure a close link between informational work and tasks of stepping up the struggle against bourgeois ideology and revisionism.

An event of particular significance for MISON was the review of its work which took place at the 6th Meeting of Vice-Presidents for Social Sciences in the Academies of Sciences of Socialist Countries (Sofia, May 1984).^{*} After listening to and discussing a joint report by the USSR Academy of Sciences and the

*For details on MISON see: OBNCHESTVENNIYE NAUKI, 1981, No 3, pp 163-168; for information on this meeting see: OBNCHESTVENNIYE NAUKI, 1984, No 6, pp 167-175 (editor's notes).

Bulgarian Academy of Sciences concerning the status and development outlooks for the International Information System, meeting participants stated that major work on the supplying of information to cooperative programs of social scientists in fraternal countries has been carried out by the MISON Council and the system's separate national organs. At the same time they pointed out as yet unused possibilities for further improving the division of labor between VNO's for the purpose of increasing the effectiveness of both bibliographic and abstracted information. The vice-presidents' meeting recommended review of the automation of information process as a task of primary importance for MISON. It was emphasized that only automated systems and networks make mass information service and its qualitative improvement possible. In the development of information there is no other way besides the creation of automated systems and their integration into a unified information network for socialist countries.

V. Vinogradov noted the increases in the scale of the printing of joint publications by MISON. Whereas in 1981 a total of 11 collections of abstracts and bibliographic indices of literature were produced, this figure was 15 in 1982 and 20 in 1983. The period under consideration was also characterized by intensification of collaboration on the theoretical aspects of scientific information.

As in preceding years, the greatest part of MISON publications is dedicated to research on the problems of socialism. The abstract collections entitled "The Struggle of the Socialist Commonwealth for Peaceful Coexistence Between States With Differing Social Systems," "Real Socialism and the Modern Social Process," "Conformances to Law in the Growth of Labor Productivity Under Socialism," "Economic Problems of Agro-Industrial Integration in Socialist Countries," "New Forms and Long-Range Outlooks for Economic and Scientific Collaboration Between Socialist and Developing Countries" and others are being published in 1984-85.

V. KHISAMUTDINOV, (USSR), chairman of the Permanent Study Group on the MISON AIS (automated information system), presented an update on the MISON AIS. He described new and important results of movement in the direction in question. Automation has been developed on a particularly wide scale in the INION of the USSR Academy of Sciences and in the Bulgarian and Czechoslovakian VNO's. Work between these three centers is conducted in a single network. Long-distance access to the automated data base of the USSR Academy of Sciences INION is being implemented on an experimental basis in Budapest, Berlin, Ulan-Bator and Havana. A terminal center has been set up in the GDR. However, questions relating to the technical equipping of VNO's are still not always being resolved expeditiously; the deadlines for preparation of documents required for development of the MISON AIS are not always kept. In 1984-85 it is essential to perform a large volume of work on automation and set up user access points for utilization of the joint automated data base in every academy.

Conference participants, in discussions on the report and the update, expressed full agreement with the evaluations and proposals which they contained. It was noted with satisfaction that the MISON plan of activities for 1981-85 is being carried out successfully. The organic link between MISON and general processes

of development of collaboration between socialist countries in the realm of the social sciences has been strengthened. MISON has been transformed into a dynamically developing system which serves the cause of raising the scientific level of this collaboration, aids in improving the quality of informational work in the realm of the social sciences and facilitates the arming of ideological workers with materials for an effective struggle against anticommunism.

Constant improvement of the forms and methods of collaboration between MISON members is having a positive effect on increasing the quality of their joint publications, on speeding up the introduction of the MISON AIS into industrial usage, on improving the holdings of scientific collections and ensuring information to users within the framework of the entire system. As conference participants stated, thanks to joint efforts the theoretical, technological, programming and language problems of the MISON AIS are being successfully resolved. Functioning as a single network is characteristic for the system. The growth of MISON's international authority and the authority of all its component scientific information centers opens up great possibilities for expanding their relations with other international information systems.

One of the principal questions on the agenda at the conference of the MISON Council concerned the supply of information on scientific research on the social sciences in light of the present ideological struggle. In the report by YA. SHAKH, acting director of the Scientific Information Center of the Polish Academy of Sciences, the coreport by V. VINOGRADOV and in speeches by council members it was pointed out that, under conditions of marked intensification of the ideological struggle in the international arena, demands on all types of informational activity in socialist society are increasing, including demand for scientific information. It must contain a critical analysis of the latest bourgeois concepts which are being utilized for imperialism's ideological diversions against socialist countries. The collaboration of MISON participants in preparing joint publications on problems of the present-day ideological struggle appears particularly useful and promising.

Major complexes of problems through which ideological conflict flows with particular acuteness and which require priority attention by scientific information workers were described in detail. Primarily these are: real socialism, the prevention of nuclear catastrophe, cessation of the arms race and a complex of present-day global problems. In 1984-85 MISON is publishing on topics connected with the ideological struggle in the international arena the collections of abstracts entitled "The Struggle for Peace, Disarmament and Security of Peoples and the Ideological Struggle," "'Psychological War' Against Real Socialism and Present-Day Tasks in Counterpropaganda Work" and "Theory and Practice of Mass Propaganda and Information Media in the Modern World."

It was emphasized that scientific information must facilitate not only the development of the social sciences, but also the upbringing of citizens in a spirit of devotion to communist ideals and the creation among workers and particularly among young people of an immunity to the ideological diversions of anticommunism.

In the decision on the agenda point in question, the great significance of further stepping up of MISON activity in the preparation of informational materials devoted to current issues in the ideological struggle was noted. Particular attention must be devoted to the quality and effectiveness of these materials. They are called upon to facilitate in every way possible the development of aggressive counterpropaganda work.

A significant place in the council's work was allotted to discussion of proposals for the MISON plan of activities for 1985 and for the next five-year plan. M. GAPOCHKA, deputy director of the USSR Academy of Sciences INION, presented a report. The council approved the plan for 1985 and adopted in principle the plan for 1986-90. It was pointed out at the conference that these documents are the result of painstaking collective work by MISON's Main Organ and VNO's. The proposal for the new five-year plan was prepared in accordance with recommendations by the 5th and 6th Meetings of Vice-Presidents for the Social Sciences of Academies of Sciences in Socialist Countries, taking into consideration the basic directions of the Long-Range Program for Multilateral Cooperation Between Socialist Countries in the Realm of the Social Sciences and the Development of Scientific Information on the Social Sciences. The plan provides for the realization of measures which would ensure very rapid growth of automated methods of information processing and user service and the functioning of an automated information system under industrial conditions at the MISON-wide level. The basis of this system will consist of a network of national automated information centers. Further refinement of the five-year plan will be carried out on the basis of decisions made at upcoming congresses of the fraternal parties of countries in the socialist commonwealth.

MISON will participate in celebration marking the 40th anniversary of the Victory over German Fascism and Japanese militarism. In 1985 there will appear an international collection of papers entitled "40 Years Since the Great Victory. The Historical Significance of the Defeat of Fascist Germany." A number of scientific centers which are MISON members will organize 40th anniversary literature displays.

The MISON Council also reviewed other matters. Measures for the development of cooperation between MISON and the System for International Collaboration Between Informational Organs On Culture and Art In Socialist Countries (Interinformkul'tura) were adopted. The topic for the 3rd MISON Scientific Conference was approved: "The Role of Scientific Information In the Realization of the Socioeconomic and Ideological Functions of the Social Sciences." The conference will be timed to coincide with the 10th Conference of the MISON Council (May 1985, HPR). It was decided to publish a collection of summaries entitled "The International Information System of Socialist Countries: Results Of and Outlooks For Its Activity" to commemorate the 10th anniversary of the founding of MISON. Within the framework of the program of European collaboration in the area of information and documentation on the social sciences (EKSSID)^{*} and under the aegis of EKSSID and MISON, questions were discussed relating to the preparation of an annotated index of literature entitled "The Social Sciences in European Socialist Countries," to be printed in English.

^{*} This program is carried out under the aegis of the European Center For the Coordination of Research and Documentation In the Area of the Social Sciences (Vienna Center).

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SOCIALIST COMMUNITY AND CEMA AFFAIRS

BLOC CONFERENCE ON DEFENSE OF SOCIALIST REVOLUTIONS

Moscow OBSHCHESTVENNIYE NAUKI in Russian No 1, Jan-Feb 85 pp 175-179

[Article by V. Miller, candidate of historical sciences, scientific secretary of the Soviet Section of the "History of the Great October Revolution and Subsequent Socialist Revolutions" Multilateral Problem-Solving Commission (MPK); under the rubric "Cooperation Between Scientists in Socialist Countries": "Defense of the Achievements of Socialist Revolutions"]

[Text] The "History of the Great October Revolution and Subsequent Socialist Revolutions" Problem-Solving Commission on Multilateral Cooperation Between Academies of Sciences in Socialist Countries (MPK), together with the Scientific Council of the USSR Academy of Sciences On the Comprehensive Study of the Topic "History of the Great October Socialist Revolution" and the Azerbaijan SSR Academy of Sciences, held a conference on this topic in Baku in May 1984. Representative delegations from the PRB, HPR, SRV, GDR, Cuba, MPR, PPR, CSSR and a large group of Soviet historians from many of the country's scientific centers attended the conference.

Attending the opening of the conference were members of the Central Committee Bureau of the Azerbaijan CP, headed by K. Bagirov, first secretary of the Azerbaijan CP Central Committee; participants were greeted by R. Mekhtiyev, secretary of the Azerbaijan CP Central Committee.

Academician I. MINTS, chairman of the MPK and the Scientific Council, presented a report entitled "Leninist Ideas On the Defense of Achievements of the Revolution and the Present." He emphasized that the timeliness of the topic under discussion increases greatly under conditions of an international situation which has worsened sharply due to American imperialism. Noting that a Marxist-Leninist party is the leading factor in the defense of the achievements of the revolution in every socialist country, the speaker justified the necessity of the creation of a special work which would reveal the content of the Leninist thesis of the "fighting party." The Leninist thesis that a close, fraternal, international union of workers is needed for the successful construction of the new society and its defense is no less important under present-day conditions. The speaker concentrated his attention on the problem of further reinforcement of the unity of countries in the world socialist commonwealth. In conclusion I. Mints called on conference participants to step up research on a vitally important problem: defense of socialist society and correlation of the combined experience of the socialist commonwealth in this area.

A logical continuation of the first report was a report by A. SOVOKIN (USSR) entitled "Leninist Teaching Concerning the Defense of the Socialist Homeland: An Inseparable Part of the Theory of Socialist Revolution." The classics of Marxism, recalled the speaker, on more than one occasion indicated that the coming revolution would inevitably encounter external and internal counter-revolution and that the proletariat should be ready for this. F. Engels acknowledged the possibility of "defensive wars" by already victorious socialism against the bourgeoisie of other countries. In his article "The Military Program of the Proletarian Revolution," V. I. Lenin, having formulated the thesis that socialism would "be victorious at first only in one or in several countries, and the rest would remain bourgeois or prebourgeois for some time," concluded that this would "evoke not only friction, but also direct efforts by the bourgeoisie of other countries to defeat the victorious proletariat of the socialist state. In this case war on our part would be legal and just."¹ After the October Revolution Lenin recalled the conclusion which he had made earlier concerning the necessity of being ready for revolutionary war.² In forming armed forces for the overthrow of the exploiters' power, pointed out A. Sovokin, the Bolshevik party took into consideration the possibility of their subsequent utilization for the defense of the state of the victorious proletariat. It was not without reason that in the charter of the Petrograd Red Guard it was noted that this organization was being created "for struggle against counterrevolution and the defense of the achievements of the revolution." The armed forces of the revolution, created by the Bolshevik party even before the October Revolution, were the basis of the army of the first workers' and peasants' state in the world.

A report by N. PANKRATOV (USSR) was devoted to the development of the Leninist teaching on defense of the achievements of socialism in documents of the CPSU and fraternal parties. He noted that, with the formation of a world socialist system, the effect of the thesis put forward by Lenin concerning the necessity of defending socialist society was extended to all fraternal countries and to the socialist system as a whole. Matters of reinforcing the internationalist unity of countries in the socialist commonwealth occupy a special place in the documents of Marxist-Leninist parties. Socialist internationalism, emphasized the speaker, is a most important, essential condition for reliable defense of socialist society, one of the fundamental conformances to law in the development of world socialism. Neglect of this, in the words of K. Marx, "will be punished by general defeat."³ In periods which were difficult for individual fraternal countries, socialist internationalism and a fighting unity were the forces which barred the path of external and internal counterrevolution.

In his report "International Imperialism: The Main Organizer of the Struggle Against Socialist Revolutions," YU. POLYAKOV, corresponding member of the USSR Academy of Sciences, demonstrated on the basis of extensive materials that the assertion of bourgeois ideologists that communists are involved in the "export of revolution" does not correspond to reality. Export is in fact taking place, but it is the export of counterrevolution, not the "export of revolution." The speaker described some typical traits of this phenomenon: unification of external and internal counterrevolutionary forces, a reactionary, antipopular tendency in their aims and tasks, the predatory nature of the actions of exporters of counterrevolution and, finally, a powerful ideological guise. The policy of the export of counterrevolution, stated Yu. Polyakov, has quite

often been successful for the forces of international reaction, but as regards the basic directions of world progress this policy invariably fails.

"The Leninist Heritage Concerning Problems of the Defense of the October Revolution. Status and the Outlook for Research" was the topic of a report by YU. KORABLEV (USSR). After analyzing the achievements of Soviet historiography, which in recent years has worked out the various aspects of the above problem particularly intensively, the speaker outlined the group of problems still in need of further study. These primarily concern the Leninist concept of defense of revolutionary achievements in the context of the history of the civil war, the historical experience of the Bolshevik party in defense of revolutionary achievements in 1917-20 and the role of the foreign policy of the socialist state. Lenin called this policy a policy of defense of the socialist homeland.⁴ The drawing up of questions relating to ideological struggle as a peaceful form of defense of revolutionary achievements is very timely, for the Leninist thesis concerning the necessity of combatting not only the military but also the ideological resistance of capitalists is widely known. Yu. Korablev made a proposal concerning preparation of a joint correlating work by scientists in socialist countries on the topic "defense of socialism," in which Leninist ideas would be interpreted in light of the combined experience of countries in the socialist commonwealth.

A number of issues requiring deeper study were named by V. NAUMOV (USSR) in a report summing up the results of study of the history of the civil war in the USSR. Among them are: history of the partisan movement in the civil war period, the position of the urban middle strata in the years of most acute class conflicts and the struggle of the Bolshevik party to free the petit bourgeois masses in the city from the influence of compromise parties, the role of imperialist intervention in unleashing and worsening the civil war, the policy of the interventionists in territory occupied by them and the scale of interventionist activity.

A large group of reports by Soviet scientists was devoted to an analysis of basic factors in the defense of socialist achievements. As lessons of historical significance N. AZOVTSEV pointed out the ability of the Bolshevik party to mobilize the people for a just war, the effective leadership of the armed forces and the active foreign policy of the Soviet state, which made use of intrainperialist contradictions. V. SAMOYLENKO revealed the internationalist nature of the defense of the achievements of socialism. A. MANUSEVICH concentrated on international worker solidarity as the decisive factor in successfully repelling the attacks of imperialism. From the first days of the October Revolution, he said, Lenin regarded the cause of defending the revolution and socialism as an international one. He wrote that internationalism in action means support through propaganda and sympathy and in a material sense. The methods of implementing this line change at various historical stages and under various conditions. The Soviet state did not always have the possibility of rendering direct military assistance to those who were defending peace, democracy and socialism. But its position in the international arena is always the same: on the side of peace and progress.

Matters relating to the ideological security of defense of the achievements of socialism was examined by A. SHIRMAN (USSR). The significance of the

ideological defense of socialism at the present stage, he emphasized, continues to grow. This is brought about by a sharp intensification of the aggressiveness of imperialism and by the characteristics of the ideological struggle itself (active interference by capitalist states in ideological processes, widespread utilization of the latest technical means, the differentiated approach of imperialist propaganda to various population categories etc.), as well as by specific traits of the basic object of ideological attack: young people. This is caused specifically by a lack of political experience among young people.

G. TRUKAN (USSR) illuminated the results and lessons of the defeat of Fascism in light of Leninist teaching concerning the defense of socialist society. The Great Patriotic War, he emphasized, once again demonstrated the importance of Leninist directives from the civil war period in combining all the forces of the Soviet people, which had risen to the struggle against the Fascist invaders. A critical analysis of bourgeois and revisionist fabrications of the historical experience of the defense of revolutionary achievements was given in speeches by N. KHMARA and KH.-M. IBRAGIMBEYLA (USSR). A. DRIZUL, academician and vice-president of the LaSSR Academy of Sciences, told of one of the revolution's first military units: the Latvian Rifles. G. GARIBDZHANYAN, academician of the ArSSR Academy of Sciences, informed of the results of a study of questions relating to the history of the struggle against counterrevolution in the Transcaucasus in 1918-20.

Speeches by scientists from Azerbaijan occupied a significant place at the conference. Their attentiveness concentrated on: questions of Leninist teaching concerning the defense of revolutionary achievements with reference to events in the Transcaucasus in 1917-20 (A. SUMBATZADE, academician at the AzSSR Academy of Sciences); the struggle of the 1918 Baku Commune against the intrigues of British imperialism (P. AZIZBEKOV, academician of the AzSSR Academy of Sciences); the contribution of the Baku Commune to the Soviet state's struggle against counterrevolution in 1918 (G. AZIMOV); American plans to penetrate into the Transcaucasian Region in 1919-20 (G. MADATOV, corresponding member of the AzSSR Academy of Sciences); the role of the Baku Workers' Conference in the struggle against Denikin's forces and internal counterrevolution in 1919-20 (K. BAYRAMOV); and the significance of the defeat of the Anglo-White fleet on the Caspian Sea to the consolidation of Soviet power in Azerbaijan (P. DARABADI).

Speeches by historians from socialist countries were listened to with great interest. The first topical group was made up of reports devoted to the overcoming of the crisis situations which arose in Hungary in the mid-1950's, in Czechoslovakia at the end of the 1960's and in Poland at the beginning of the 1980's. In his report entitled "Crisis and Consolidation in Hungary (1953-1958)," K. URBAN (HPR), pointing out the importance and necessity of carefully studying the period preceeding open action by counterrevolutionary forces in fall 1956, emphasized that the masses were ready to support revolutionary renewal in the 1953-56 period, but the old party leadership was incapable of directing this process. Only the workers' and peasants' government headed by J. Kadar, set up on 4 November 1956 and drawing lessons from the crisis situation of the preceeding years, was able to defeat the forces of counterrevolution and ensure consolidation of Hungarian society. I. KREMPA, corresponding member of the Czechoslovakian Academy of Sciences, presented the

report entitled "The 1968 Crisis and Its Elimination. Conclusions and Lessons." He dwelled in detail on the political lessons drawn from the events of 1968-69 and analyzed thoroughly in documents of the Communist Party of Czechoslovakia. "The Sociopolitical Preconditions of Counterrevolution in Poland in 1944-47 and 1980-81" was the subject of a report by A. DOBESHEVSKIY and M. SHISHKO (PPR). They revealed the general and specific characteristics of counterrevolutionary actions in Poland. Specifically, the report noted that activity by oppositional groups becomes active only after mistakes and deformations in administration create a favorable climate for this. The well-known statement of J. Kadar to the effect that a revolution should be directed wisely and fairly so as to not permit a counterrevolution was cited in this connection.

To the second group belong reports revealing the characteristics of the defense of revolutionary achievements under conditions in various countries. SH. NATSAGDORZH, academician and vice-president of the Mongolian Academy of Sciences, familiarized conference participants with the Mongolian experience; NGUYEN KKHAN' TOAN, honorary chairman of the SRV Committee on the Social Sciences and foreign member of the USSR Academy of Sciences, and FAM SUAM NAM (SRV) told about Vietnam's experience. F. PEREZ GUSMAN (Cuba) devoted his speech to the defense of socialist achievements in Cuba. The characteristic traits of all four reports were revelation of a close link between the resolution of tasks of socialist construction and defense of the revolution, and affirmation of the tremendous significance of proletarian internationalism.

The third group of reports encompassed theoretical and practical matters of military construction in countries in the socialist commonwealth. These were reports by: K. GIRTS (GDR), "The Application of Criteria of Comparative Analysis of Revolutionary Processes to the Study of Methods of Resolving the Military Question By European Socialist Revolutions"; and Bulgarian scientists I. VLAKHOV -- "The Indissoluble Unity of Patriotic and International Duties in the Functions of the Bulgarian People's Army" -- and K. ANDONOV -- "Origins of the Bulgarian People's Army (1944-46)." Lieutenant General KHOANG FYONG, head of the SRV Institute of Military History, gave a report entitled "Development of the Revolutionary Armed Forces of the Vietnamese People"; A. GARCIA (Cuba) spoke on "The Role of Committees for the Defense of the Revolution in Defending Socialist Achievements." The Cuban scientist devoted attention, in particular, to the fact that "committees for the defense of the revolution" as a form of struggle against its enemies, originating in Cuba, are presently being successfully employed in other countries.

A broad range of questions relating to the economic policy of the proletarian state in the civil war years such forms of revolutionary power as soviets and revolutionary committees, specific characteristics of struggle against petit bourgeois and nationalistic counterrevolution et al. were touched upon in the course of discussion of the reports.

Conference participants adopted recommendations which provide for further analysis of questions connected with the defense of socialist revolutions, to be undertaken by the combined forces of historians from fraternal countries.

FOOTNOTES

1. V. I. Lenin, "Polnoye sobraniye sochineniy" [Complete Works], Vol 30, p 133.
2. Ibid., Vol 36, p 34.
3. K. Marx and F. Engels, "Sochineniya" [Works], Vol 16, p 10.
4. Lenin, op. cit., Vol 36, p 344.

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GENERAL ECONOMIC AFFAIRS

INTERNATIONAL BANK FOR ECONOMIC COOPERATION: 1984 ACTIVITIES

Moscow EKONOMICHESKAYA GAZETA in Russian No 21, May 85 p 20

[Report by Candidate of Economic Sciences V. Lyakin: "Activities of the International Bank for Economic Cooperation in 1984"]

[Text] The regular, 61st, meeting of the Council of the International Bank for Economic Cooperation was held in Moscow in April 1985. It reviewed and approved the report submitted by the board on the bank's activities for 1984 and the bank's balance as of 1 January 1985, adopted a decision on the distribution of profits, established a credit plan for 1985 and considered other questions pertaining to current and future activities of the IBEC [International Bank for Economic Cooperation].

The accounting and credit operations of the IBEC in the common currency, transferable rubles, continued to develop dynamically in 1984 on the basis of advancing, planned growth of mutual trade and other forms of economic cooperation among the CEMA nations. The volume of reciprocal accounts of the member nations settled through the IBEC amounted to almost 196 billion transferable rubles for the report year, increasing by 10.7 percent over 1983. The amount of loans extended by the bank increased by 8.9 percent, reaching 13.6 billion transferable rubles. The balance of loan contributions at the end of the year amounted to 4.4 billion transferable rubles, compared with 4.1 billion transferable rubles in 1983--an increase of 7.5 percent. The portion of loans extended to Vietnam, Cuba and Mongolia under special terms increased.

IBEC loans accounted for 12.2 percent of the total mutual payments made by banks of the member nations last year. For certain nations with a high level of goods seasonally produced and sold in their exports, the specific portion of loans exceeded 45 percent. The flexible nature of the IBEC's accounting and loan system makes it possible to make all payments involved in mutual commodity circulation and other economic relations among the fraternal socialist nations without disruption.

In providing loan assistance to the member nations for regulating their balance of payments, the IBEC attempts to extend loans to cover only a planned, agreed-upon imbalance in their mutual accounts in transferable rubles, stemming from

trade protocols and other economic agreements concluded. The active role of the bank's credit system is manifested in this. It has an effect with respect to the prompt and complete fulfillment of trade commitments accepted by the member nations.

The average cost of IBEC loans in transferable rubles was 3.1 percent for the report year. The CEMA nations had to pay 3 to 4 times more interest for loans received in the West than the IBEC rates.

After reviewing the draft IBEC credit plan for 1985, the bank council considered the economically substantiated needs of the recipients and established a loan ceiling for the end of this year in the amount of 4,615,700,000 transferable rubles and an administrative reserve for extending loans in the amount of 200 million transferable rubles. These loan amounts permit the member nations to settle their accounts for the ever increasing volume of mutual foreign trade without disruption this year.

The bank continued to perform the necessary volume of operations in convertible currencies in 1984. It drew upon spare currency in the banks of both member nations and of the capitalist nations, mainly in the form of loans and deposits, and then saw to the efficient distribution of those funds in the interest of expanding trade and economic relations between the CEMA nations and the capitalist states.

Operations carried out by the bank in convertible currency were mainly with banks of the member nations, with increasing interest and trust in the IBEC on the part of capitalist banks. This was due to continued improvement of the foreign economic balance of the socialist nations in the report year and to a reduction in their indebtedness in convertible currency, as well as to the IBEC's active work to expand mutually advantageous business ties with Western partners interested in cooperation.

The balance of the IBEC's currency resources had increased by 7.9 percent by the end of 1984, compared with the beginning of the year, amounting to the equivalent of 1.65 billion transferable rubles. The amount of funds located in large Western banks increased considerably at the same time. In view of the increased instability of exchange rates and interest rates in the international currency markets, the IBEC's operations in convertible currency were carried out in strict accordance with decisions of the bank council and were aimed at increasing the liquidity and profitability of the operations, securing its own resources and enlisted funds, and improving the structure of the funds with respect to time periods.

The bank continued to operate at a profit. Profits for its 1984 operations increased by 4.1 percent over 1983 and amounted to 34.5 million transferable rubles. The bank council made a decision to distribute those profits in the following manner: distribute 19.1 million transferable rubles among the member nations in the form of dividends and add 13.2 million transferable rubles to the reserve capital. As a result, the reserve capital was increased from 191.0 million to 204.2 million transferable rubles. A total of 2.2 million transferable rubles was spent on the construction of a new bank building last year. The council transferred that amount from profits to the construction fund for that purpose.

The results of the IBEC's operations in 1984 convincingly demonstrate the fact that the bank has good prospects for further developing and increasing the extent of its operations in both transferable rubles and convertible currencies. Its functioning is solidly based on the progressive development of the national economies of the member nations, on the all-around expansion of trade and economic ties among the fraternal nations and on intensification of the process of socialist economic integration.

The High-Level Economic Conference of CEMA Nations was an extremely important event in 1984 for the socialist commonwealth and all of its collective bodies. The conference defined the main directions for the further development and intensification of economic and scientific-technical collaboration among the fraternal nations and for the thorough enhancement of the effectiveness of socialist economic integration. Currency and financial tools are assigned a large role in the accomplishment of the tasks which have been set. The CEMA nations consider it essential to perfect these, strengthening their common currency, the transferable ruble, in order for it to perform its monetary functions more fully.

For purposes of practical implementation of the directions outlined at the Economic Conference, the IBEC Board submitted a report "On the IBEC's Tasks Stemming From Decisions Adopted at the High-Level Economic Conference of CEMA Nations" for consideration at the 60th session of the bank council (October 1984). The IBEC Council approved a comprehensive plan for further improving and enhancing the effectiveness of the bank's accounting and credit system.

Among other things, the bank is going to have to continue improving credit planning and establish more precisely the economically substantiated needs of the nations for borrowed funds. The bank's collaboration with planning and foreign trade agencies of the member nations and the CEMA Secretariat is to be intensified. The IBEC's efforts with respect to refining the existing system of interest rates for operations conducted in transferable rubles are directed toward this goal. Moderately increased rates for bank loans must become an effective economic tool assuring the efficient use of borrowed funds and a stable profitability for the IBEC for operations conducted in transferable rubles.

Participants in the economic conference acknowledged the expediency of setting up joint firms, enterprises and other international economic organizations on a self-supporting basis and expanding direct economic ties among enterprises and organizations of the CEMA nations. As it becomes necessary, the IBEC will support such enterprises and organizations in their operations by providing them with accounting services and credit.

The tasks set for the IBEC at the economic conference can be accomplished with closer interaction with the banks of the CEMA nations. For these purposes, the work of improving the filling out of credit requests by banks of the member nations on the basis of a set of standard methods worked out by the IBEC Board and agreed upon has been stepped up considerably, the requirements with respect to economic justification of the loans requested have been raised, and control over the observance of the procedure for using and repaying borrowed funds has been increased.

Balance of the International Bank for Economic Cooperation (in transferable rubles)

Assets	End of 31 December		Liabilities	
	1983	1984	1983	1984
1. Monetary funds:			1. Bank capital:	
a. in current accounts and in cash	26,778,410	36,654,685	a. regulation capital	305,262,000
b. in deposits	1,241,925,895	1,363,296,912	paid portion	190,316,160
	1,268,704,305	1,399,951,597	b. reserve capital	179,359,915
2. Loans Outstanding	4,505,827,676	4,819,550,350		369,676,075
3. Bank Property	737,189	765,161	2. Deposits:	
4. Other Assets	37,982,680	47,914,705	a. current accounts	690,995,833
			b. deposits	4,227,249,864
				4,918,245,697
			3. Loans received	380,221,201
			4. Other Liabilities	111,973,196
			5. Net Profit	33,135,681
Balance	5,813,251,850	6,268,181,813	Balance	5,813,251,850
				6,268,181,813
				34,490,947

Planning and conducting its work in strict accordance with the principles established at the High-Level Economic Conference of CEMA Nations, the IBEC will continue to devote its main attention to further perfecting the accounting and credit system and to enhancing its role in socialist economic integration.

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GENERAL ECONOMIC AFFAIRS

CEMA FINANCING OF SCIENTIFIC-TECHNICAL DEVELOPMENT

Moscow FINANSY SSSR in Russian No 3, Mar 85 pp 63-69

/Article/ by V. A. Milyayev, chief of a department of the State Committee for Science and Technology, candidate of economic sciences, and A. A. Khachatryan, head of a laboratory at the International Scientific Research Institute of Problems of Management, candidate of economic sciences: "Financing of Scientific and Technical Development in a Number of Foreign European CEMA Member Countries"

/Text/ The high-level economic conference of CEMA member countries held in Moscow in June 1984 stressed the urgency of all possible acceleration of scientific and technical progress. To a large extent the solution of this problem is connected with an improvement in the management of scientific and technical development and, in particular, with an intensification of the utilization of financial levers and incentives.

The measures in the area of improvement in the financing of scientific and technical development implemented in European CEMA member countries in recent years are very close both in the goals and means of their attainment. At the same time, a number of them have their own specific nature, differing in the depth, overall nature of solution and specific forms of realization. The search for the most efficient forms and methods of financing scientific and technical development in CEMA member countries also continues now, being an uninterrupted and creative process. A study of the experience accumulated in this area is of great practical importance. Its generalization and popularization contribute to bringing the structures of economic mechanisms closer together and ensure additional possibilities for an efficient realization of a coordinated scientific and technical policy of CEMA member countries.

A comparative analysis of the role and place of finances in the mechanisms of management of scientific and technical progress existing in European CEMA member countries shows that their main purpose is to ensure the mobilization of capital for the needs of scientific and technical development and to contribute to its concentration at the most important (priority) directions in the development of science and technology; to stimulate by means of financial levers an accelerated and wide-scale introduction of the achievements of science and technology into production; to ensure a progressive equalization of the conditions of management of enterprises introducing new equipment and producing products that have already been mastered.

The fact that expenditures on the development of science and technology grow at more rapid rates than the national income is the common feature of the financing of scientific and technical progress in European CEMA countries. In recent years expenditures on science in the People's Republic of Bulgaria comprised 2.5 percent of the national income, in the Hungarian People's Republic, 3.3 to 3.7 percent, in the German Democratic Republic, 4.2 percent, in the Polish People's Republic 2.5 percent, in the Socialist Republic of Romania 1.4 percent and in the Czechoslovak Socialist Republic 3.5 to 4.5 percent.¹ The following are the basic sources of monetary assets for financing the needs of the scientific and technical development of socialist countries: the internal capital of economic organizations and scientific research institutions, credits and the state budget. The actual correlation of these sources determines to a large extent how closely the conducted research and development are coordinated with the direct result of the economic activity of enterprises and ministries. The specific direction of the conducted research, forms of its organization and rates of scientific and technical progress in the country also depend on the applied methods of financing.

A uniform structure of the financing of scientific and technical needs has now been formed in CEMA countries:

national economic plans and programs for the development of science and technology are financed basically from the capital of the state budget;

funds for development and technical progress centralized at the level of a sector (subsector) are the main sources of capital for financing sectorial plans and programs for scientific and technical development;

plans for the technical development of enterprises and associations are financed primarily from the cost accounting funds formed at them.

Technical development funds (funds for science and technology), as a rule, created at all the levels of management, that is, at ministries, associations and enterprises, now play the main role in the structure of intraeconomic sources of the financing of scientific research and experimental design work in most of these countries. This source accounts for the bulk of all resources allocated for the needs of scientific and technical development. In contrast to production development funds, which are primarily of an investment nature, the capital of technical development funds is used for the financing of expenditures on the pursuance of scientific research and experimental design work, acquisition of technical information and purchase of licenses and know-how, as well as for the reimbursement of part of the expenditures on mastering the production of new equipment.

The bulk of the capital of technical development funds in CEMA member countries is concentrated within the framework of large production and economic units (combines and associations), which is connected with the intensification

¹ See: "Mekhanizm integratsii nauki s proizvodstvom" /Mechanism of Integration of Science With Production/, Moscow, Nauka, 1984, p 101.

of their role in ensuring the scientific and technical development of production. The principles of formation and utilization of the capital of technical development funds at the level of the basic link are shown in table 1.

Table 1. Formation and Utilization of Technical Development Funds at the Level of the Basic Link

Countries	Name of Fund	Sources of Formation	Directions in Utilization (Financing)
People's Republic of Bulgaria	fund for expansion and technical improvement	deductions according to standards from gross income; part of depreciation for capital repairs and renovation; income from realization of scientific development, output of test series and so forth.	modernization and reconstruction of fixed capital; planning, new construction and purchase of machinery and equipment; pursuance of scientific and experimental design work; expenditures on introduction of new equipment
Hungarian People's Republic	technical development fund	deductions according to standards (differentiated according to sectors) from gross income	pursuance of scientific research and experimental design work; purchase of licenses, know-how and technical information; maintenance of experimental shops and sections
German Democratic Republic	fund for science and technology	additions to production costs of products; income from sale of results of scientific research and experimental design work, from replacement and sale of fixed capital and so forth	pursuance of scientific research and experimental design work; development of prototypes and output of zero series of products; purchase of licenses and expenditures on international cooperation
Polish People's Republic	fund for technical and economic progress	additions to production costs	pursuance of scientific research and experimental design work; purchase of licenses, know how and technical information

Socialist Republic of Romania	fund for scientific research, technolog- ical de- velopment and intro- duction of technical progress	additions to produc- tion costs of prod- ucts	pursuance of scientific research and experimen- tal design work; expenditures on intro- duction of new techno- logical methods
Czecho- slovak Socialist Republic	technical development fund	additions to produc- tion costs of prod- ucts; income from sale of results of scien- tific research and experimental design work; subsidies from sec- torial technical development fund	pursuance of scientific research and experimen- tal design work; share of participation in fulfillment of the sectorial plan for the development of science and technology is fi- nanced; modernization of produc- tion and introduction of efficiency proposals

An analysis of the data cited shows that the formation of the capital of these funds in CEMA member countries is carried out in two ways, that is, from additions to production costs of products (the German Democratic Republic, the Polish People's Republic, the Socialist Republic of Romania and the Czechoslovak Socialist Republic) and deductions from the gross income of enterprises (the People's Republic of Bulgaria and the Hungarian People's Republic). The bulk of the capital of these funds is used for financing scientific research and experimental design work carried out both by internal forces and performed for enterprises and associations according to their orders by institutes, laboratories and so forth. Moreover, with the capital of these funds equipment necessary for the conducted research, licenses and technical documents are purchased and wages of consultants and specialists in introduction and so forth are paid. Noting a certain community in the formation and utilization of the capital of technical development funds, at the same time, it must be stressed that individual countries have their own specific nature in the solution of these problems.

For example, in the People's Republic of Bulgaria not only scientific research and engineering-introduction activity, but also expenditures on the maintenance, expansion and improvement of fixed productive capital, as well as on the training and improvement in the skill of personnel, is financed from the resources of the fund for expansion and technical improvement. The resources of this fund are used for the maintenance and development of the fixed capital of enterprises and economic organizations at a technical and economic level that should ensure the attainment of the planned efficiency of production. The specific nature of this fund lies in the fact that both the needs of current production and the financing of the needs of long-term development are ensured by means of it.

Deductions from the balance profit (at a rate of no less than 4 percent of the gross income) of enterprises and economic organizations and depreciation allowances for major repairs and renovation are the basic sources of formation of the fund for expansion and technical improvement. At enterprises forming part of large economic organizations up to 80 percent of the depreciation deductions for major repairs and up to 20 percent, for renovation enter the fund for expansion and technical improvement and their remaining part is centralized in the fund for expansion and technical improvement of an economic organization. The resources received are used for the modernization, reconstruction and major repairs of productive capital, as well as the implementation of scientific research and experimental design work and the introduction of new equipment.

Practice has raised a number of problems, whose solution determines the efficiency of functioning of the fund. First of all, they are connected with a certain functional overload of the fund and, as a consequence, with ensuring an effective purposeful direction in the utilization of its resources and with rationalization of the correlation among various directions in their expenditure. The attainment of a balanced sensitivity of the fund for expansion and technical improvement both to general economic and scientific and technical results of economic activity is the most common problem of its standard formation. For the time being the primarily investment-like nature of the fund leads to the fact that even technically leading economic organizations allocate a comparatively small part of the capital of the fund for expansion and technical improvement for scientific research and engineering-introduction activity. For the solution of these problems the People's Republic of Bulgaria implements measures for the allocation of investments made from the capital of the fund for expansion and technical improvement primarily for the realization of measures for the technical development of production connected with the introduction of scientific and technical achievements.

In the Hungarian People's Republic the technical development fund of production enterprises is the basic cost accounting source of the financing of scientific and technical development. Prior to 1980 this fund was formed from deductions from the value of the gross product according to standards mandatory for each group of products. However, as practice showed, this method had a number of shortcomings. For example, in many cases changes in wholesale prices led to a significant change in the amount of the fund as compared with the planned one. Its formation was insufficiently coordinated with the cost accounting results of activity. Often technical development funds were formed in areas where an efficient utilization of capital was not ensured. As a result, the volume of unutilized funds at such enterprises increased year after year.

A mandatory formation of technical development funds in nonindustrial sectors of the national economy was terminated in 1983. Now the fund is created in accordance with the decision of the economic unit itself from deductions from gross income resulting from the sales of output minus direct material expenditures in accordance with standards differentiated with respect to sectors and subsectors. The smallest amount of deductions is established for food industry (0.5-1.8 percent), petroleum and gas industry (1.6 percent) and ferrous metallurgy (1.4 percent) enterprises. The biggest standards of deductions are established for enterprises producing communications and vacuum equipment (up to 22 percent).

The following are financed from the technical development fund of enterprises: pursuance of scientific research and experimental design work by their own forces and orders for pursuing it on a contractual basis; manufacture of prototypes and output of a zero series; purchase of patents, licenses and technical information; expenditures on the introduction of efficiency proposals and so forth. Furthermore, from the technical development fund enterprises can make an advance for the purchase of equipment necessary for the pursuance of scientific research and experimental design work, as well as utilize its capital for an advance for capital investments and some other facilities connected with the implementation of scientific research and experimental design work (primarily computer hardware). The limits of advances are determined in annual plans and the utilized capital is subject to return to the technical development fund from the production development fund within 3 years.

As Hungarian specialists note, in the practice of formation and utilization of the technical development fund of enterprises there are still certain problems. In particular, this concerns an obligatory formation of this fund at enterprises. Now, as is well known, in case of small expenditures on the introduction of new equipment enterprises can give up the formation of the special fund and apply all corresponding expenditures to production costs. Nor is the interaction of the technical development fund with the production development fund coordinated sufficiently. The amount of the technical development fund is determined by appropriate standards, whereas no standards of deductions into the development fund exist. Enterprises do not always strive to economically utilize the capital of the technical development fund, because its creation and utilization hardly affect the amount of the profit. Therefore, in the Hungarian People's Republic special attention is now paid to measures for the coordination of the utilization of the technical development fund and the enterprise development fund in order to ensure the economic prerequisites for an accelerated introduction of the results of scientific research and experimental design work into production. A certain "elasticity" is lent to technical development funds--enterprises are now able to exceed their amount prescribed by standards from the profit (this part of it is not taxed). An enterprise is interested in this when the expected profit from expenditures on technical development exceeds their amount, that is, when the overexpenditure of the capital of the technical development fund will bring an economic effect. Furthermore, enterprises are given broader opportunities for regrouping the sources of capital used for the needs of technical development.

In the German Democratic Republic expenditures on science and technology are financed basically from funds for science and technology created by enterprises and combines. Their amount is connected with the amount of financial expenditures necessary for the fulfillment of the assignments of the plan for science and technology. Funds for science and technology are formed from additions to production costs of products in the amount established in the state plan. This fund is created for the combine as a whole. Then the general director of the combine decides at which of the enterprises forming part of it internal funds for science and technology will be formed. In the German Democratic Republic combines have now become the place of concentration of scientific research and experimental design work. Therefore, the basic capital for the implementation of measures for the development of science and technology is concentrated within their framework. Apart from additions to production

costs (about 90 percent of the capital of funds), deductions from the sale of licenses and other operations within the framework of international scientific cooperation and capital from the sale of scientific and technical results inside the country are assigned to funds for science and technology.

The fund for science and technology is used for the financing of scientific and technical development, purchase of licenses and technical documents and introduction of scientific and technical achievements into production. General directors of combines bear great personal responsibility for the formation and efficient utilization of funds. So-called "notebooks of obligations" (charts of a technical and economic level) containing national economic aims and technical and economic requirements for every scientific and technical assignment included in the combine plan are the basis for a purposeful allocation and expenditure of capital from the fund for science and technology. General directors of combines give permission to use the capital of the fund for science and technology only on condition that the economic goal established in the "notebook of obligations" and periods of development correspond to the requirements for an increase in production efficiency. The fulfillment of the indicators of the "notebook of obligations" is controlled in the course of the entire process of scientific and technical development and after appropriate checks proposals on ensuring high end results are made. The capital of the reserve fund formed at a combine can be used to cover the additional expenditures that have arisen in connection with the accelerated introduction of scientific and technical results.

A number of measures for improving the use of the capital of funds for science and technology are now implemented in the German Democratic Republic. Their content consists in the following:

The further centralization of capital at the level of industrial combines is ensured and the economic responsibility of general directors for its efficient utilization is increased;

the financing of measures for science and technology is opened only if there are approved "notebooks of obligations" and is carried out in strict accordance with the requirements fixed in them;

there is an orientation not only toward the project, but also stage, financing of work (the decision on the continuation and amount of subsequent financing is made with due regard for the results of fulfillment of control stages of the planned assignment).

Changes in the mechanism of formation and utilization of the fund for technical and economic progress created at enterprises were made in the Polish People's Republic in 1982. This fund is now formed from additions to production costs, whose amount is coordinated with planned tasks concerning the technical development of enterprises. Moreover, replenishments from the enterprise development fund (their amount is determined by an enterprise) and proceeds from the sale of the results of scientific research and experimental design work are assigned to the fund for technical and economic progress. The capital of the fund is used for the financing of scientific research and experimental design

work pursued by internal forces and for the payment for development carried out according to contracts; purchase of technical information; introduction of technical innovations (noninvestment expenditures). This fund is the basic source of financing of the development of science and technology in the industry of the Polish People's Republic.

Funds for scientific research, technological development and the introduction of technical progress created at enterprises play an important role in the financing of scientific and technical development in the Socialist Republic of Romania. They are formed from additions to production costs of products according to standards differentiated with respect to enterprises and ministries (at the rate ranging from 0.3 to 1.3 percent of the production costs). Expenditures on scientific research and experimental design work, mastering of new articles and installations and introduction and modernization of technological methods are covered by them.

In the Czechoslovak Socialist Republic the financing of scientific and technical development at the level of the basic link is carried out from the capital of enterprises concentrated in the technical development fund. This fund is formed only on the basis of the decision of a production and economic unit in accordance with the needs for noninvestment expenditures on the solution of problems of the plan for the technical development of an enterprise. Deductions from the production costs of products are the basic source of formation of this fund. Furthermore, income from the sale of the results of scientific research and experimental design work, which is financed from this fund, enters it. From the capital of the technical development fund of associations expenditures on scientific research and experimental design work and the fulfillment of the sectorial technical development plan are reimbursed, the share of participation in the fulfillment of the tasks of state and departmental plans is financed, subsidies to subordinate organizations are granted and deductions into the centralized technical development fund of ministries are made.

Thus, technical development funds created in CEMA member countries have a broad purpose. First of all, they pay for internal and contractual scientific research and experimental design work and for the purchase of licenses and technical documents and cover expenditures on technical information, standardization and unification. As a rule, instruments and equipment necessary for the pursuance of research can be purchased with the capital of these funds. Expenditures on mastering the production of new equipment and new technological processes are financed from these funds in most countries. As a rule, additions to production costs of products are the basic source of the capital entering technical development funds. In addition, some other resources also enter them: sums from the sale of the results of scientific research and experimental design work, as well as property values created or purchased with the technical development fund. When the amount of additions to production costs is determined, the level of necessary expenditures on technical development is taken into consideration.

Practice has shown that the formation of technical development funds from additions to production costs makes it possible to solve the problem of regularity and uniformity of formation of capital for the development of science and

technology and to take into consideration the economic risk existing during the pursuance of research. At the same time, such a method of formation of the technical development fund hardly affects the formation of the profit and economic incentive funds of enterprises. In connection with this the experience of the countries (the People's Republic of Bulgaria and the Hungarian People's Republic), where the profit of enterprises has become the basic source of financing of scientific research and experimental design work, deserves attention. However, even this method of formation of the technical development fund has its own problems, in particular problems connected with difficulties in the coordination of deductions into these funds with the degree of scientific and technical innovation and the quality of products. One of the distinctive features of the system of technical development funds functioning in CEMA member countries lies in the fact that after creation at the level of the basic link a significant part of their capital is then centralized at subsectorial, sectorial and, in some countries, at intersectorial levels. The diagram of the functioning of sectorial technical development funds created in European CEMA member countries is presented in table 2.

Table 2. Formation and Utilization of Sectorial Technical Development Funds

Countries	Name of Fund	Sources of Formation	Direction in Utilization (Financing)
People's Republic of Bulgaria	centralized fund for expansion and technical improvement	deductions according to standards from gross income of subordinate enterprises	sectorial programs for improvement in production organization; introduction of scientific and technical achievements in a sector; activity of sectorial scientific research institutes; construction of new production projects
Hungarian People's Republic	centralized technical development fund (in the part used by sectorial ministries)	deductions from technical development funds of subordinate enterprises	sectorial research and development programs; technological planning and designing; purchase of licenses and technical information
German Democratic Republic	centralized fund for science and technology (created, if needed, by a ministry)	centralization of part of the capital of funds of combines and enterprises	solution of scientific and technical problems most important for a sector

Polish People's Republic	research fund	budget subsidies; deductions from centralized fund for technical and economic progress; deductions from prof- it of subordinate research units	scientific research and experimental design work in sectors exceed- ing the limits of in- terests and capabili- ties of enterprises
Socialist Republic of Romania	centralized fund for sci- entific re- search, tech- nological de- velopment and introduction of technical progress	deductions from like- named funds of sub- ordinate enter- prises	solution of the most im- portant scientific and technical problems en- visaged in the sector- ial plan
Czechoslovak Socialist Republic	sectorial technical de- velopment fund	deductions from like- named funds of sub- ordinate associa- tions	fulfillment of tasks of the plan for the tech- nical development of ministries

For example, the centralized fund for expansion and technical improvement is created in industrial ministries of the People's Republic of Bulgaria. It is formed from deductions at the rate of 1 percent of the gross income of subordinate organizations. This capital is used for the financing of measures and programs of sectorial importance in the area of development and introduction of scientific and technical achievements, construction of large, new production projects, improvement in the organization of the production process and so forth. The activity of sectorial scientific research institutes servicing ministries is also financed from this source. Furthermore, the centralized fund for expansion and technical improvement also performs a reserve function. If necessary, resources are granted to enterprises and economic organizations.

In the Hungarian People's Republic part of the capital of the technical development fund of enterprises (from 20 to 70 percent) is centralized in the appropriate funds of the ministry and in the central fund of the State Committee for Technical Development. At the same time, on the average, about 70 percent of the centralized funds remain at the disposal of the ministry and the remaining part enters the central fund of the State Committee for Technical Development. Resources accumulated in centralized funds are used for the financing of average- and long-term plans for scientific research and experimental design work, tasks determined by central technical development organs, tasks within the framework of priority directions in research at the level of the national economy and tasks of goal-oriented programs worked out at the level of ministries.

In the German Democratic Republic industrial ministries can, when this is necessary, as well as for the financing of big expenditures on the development and introduction of new equipment in a planned manner, centralize part of the capital of the funds for science and technology of subordinate combines and enterprises. If necessary, the capital of reserve funds of combines is also drawn here.

In the Polish People's Republic enterprises produce from their funds for technical and economic progress mandatory 50-percent deductions into the central fund for technical and economic progress formed under the Ministry of Science, Technology and Higher Education. A research fund was formed from the capital of the central fund, subsidies from the budget, receipts of the surplus profit of research units and contributions of enterprises in this ministry in 1983. It is the source of financing of research connected with an economic risk, as well as scientific research and experimental design work exceeding the limits of the interests and capabilities of individual enterprises.

In the Czechoslovak Socialist Republic subsectorial (concern) and sectorial technical development funds are formed through the centralization of part of the capital of technical development funds. Unutilized capital in all these funds is carried over to the following year. From the technical development fund of ministries expenditures on the fulfillment of the tasks of the technical development plan of ministries (departments) envisaged by the departmental plan are reimbursed, subsidies are granted to technical development funds of concerns and other expenditures are reimbursed. From the technical development fund of associations expenditures on the fulfillment of operations of the sectorial technical development plan are reimbursed similarly, the share of participation in the fulfillment of the tasks of state and departmental plans is financed, subsidies are granted to subordinate organizations and part of the capital is deducted into the centralized technical development fund of ministries.

Thus, in almost all European CEMA member countries there is now an extended system of financing of the development of science and technology from technical development funds of enterprises encompassing both the basic link and subsectorial, sectorial and national economic levels. In most countries the system encompasses primarily the financing of scientific research and experimental design work, including bringing it up to prototypes, technological methods and creation of basic technical documents, that is, an essentially full range of noninvestment expenditures in the scientific and technical sphere is financed. This system of financing scientific and technical progress encompasses both scientific and technical development and the realization of its results in production (that is, investment activity) only in the People's Republic of Bulgaria.

A volume of financial resources, which should ensure the realization of the plan for the scientific and technical development of an enterprise, association and ministry, is concentrated in technical development funds established at different levels of economic management. Associations, combines and other large production and economic units are the main managers of technical development funds. Despite the fact that in most countries these funds are also created at enterprises, their amount is much smaller than at associations and combines. To ensure a stable source of capital for the pursuance of scientific research and experimental design work, as well as for the reimbursement of increased expenditures of enterprises and associations on the introduction of new equipment, is the main function of all these funds. Capital concentrated in centralized technical development funds is intended mainly for the financing of the tasks of the sectorial plan for the development of science and technology.

Centralized funds for the financing of scientific and technical development (besides centralized technical development funds), whose basic source of formation are budget deductions, are created in a number of CEMA member countries at the level of ministries and departments. For example, a special budget fund "scientific research and technical progress," from which the state finances the scientific research activity of the Bulgarian Academy of Sciences, sectorial academies and higher educational institutions, as well as priority state assignments aimed at an accelerated introduction of major achievements in scientific and technical progress, is formed in the People's Republic of Bulgaria at a national level. Furthermore, the capital of this fund can be used for the financing of unplanned development, whose pursuance is connected with a big economic risk.

The fund "technical progress," which accumulates the bulk of budget allocations for the development of science and technology, is also formed and placed at the disposal of the State Committee for Science and Technology and Technical Progress of the People's Republic of Bulgaria. This capital is used for the financing of national, intersectorial and sectorial overall programs for scientific and technical progress, pursuance of especially important research connected with an increased economic risk, provision of temporary financial assistance to economic organizations in case of a shortage of internal capital, realization of especially important scientific and technical research assignments and so forth.

Specialized funds "technical progress and investments" are formed in sectorial ministries of the People's Republic of Bulgaria. The following are their sources: budget subsidies for the financing of certain capital construction projects; specific subsidies from the "technical progress" fund of the State Committee for Science and Technology and Technical Progress for the fulfillment of tasks resulting from national programs for scientific and technical progress, for whose solution sectorial ministries are responsible; renovation part of depreciation deductions of economic organizations (up to 50 percent); tax on the above-plan profit of economic organizations (40 percent of this tax); receipts in favor of the budget as a result of a reduction in the prices of obsolete products. Currency capital (30 percent of the "currency" fund and 30 percent of the above-plan currency proceeds of an economic organization) is also concentrated in the sectorial fund "technical progress and investments." Capital from the fund is granted to economic organizations on a contractual basis with an extensive application of the principle of reimbursement (as a result of the obtained effect) for an accelerated development and introduction of technical innovations of great sectorial importance.

As the experience of CEMA member countries shows, providing state organs of management of scientific and technical progress (primarily committees and ministries for science and technology) with special funds for financing scientific and technical development enables them to more promptly solve appropriate problems at an intersectorial level and provides an opportunity for the maneuvering of resources. A change in the procedure of financing scientific and technical development, intensification of the activity of central organs of management and expansion of the economic independence of enterprises and associations create important prerequisites for an improvement in the efficiency of scientific and technical activity.

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UNITED STATES AND CANADA

CRITICISM OF WEINBERGER, EFFECT ON DEFENSE POLICY VIEWED

PM101351 Moscow IZVESTIYA in Russian 9 Jul 85 Morning Edition p 5

[Melor Sturua "Pamphlet": "Are Clouds Gathering Above the Thunderer's Head?"]

[Text] According to Washington political stargazers clouds are gathering above the head of the Pentagon Chief Caspar Weinberger. Some people are even talking about his inevitable resignation. The following reasons are cited: Congress "pruned" his defense budget for Fiscal 1986; President Reagan rejected his recommendation to completely abandon the SALT II treaty and adopted the "interim" decision proposed by Shultz and McFarlane; Weinberger's reputation was greatly dented by the \$436 hammer," that is, the scandal over the Pentagon's thoughtless extravagance in buying seats costing \$600, ashtrays \$500, coffee makers \$9,000 each and so forth.

The purveyors of the "Weinberger eclipse" story also cite other, more tenuous arguments. They relate, for instance, that when Weinberger tried on at least two occasions to contact Reagan, who was in Lisbon at the time, "to convince him" that cuts in military spending are impermissible, White House Chief of Staff Donald Regan refused to put him through, remarking drily that "the President has already formed his own opinion." A joke about Weinberger ascribed to the President is also making the rounds, and it goes something like this: "Luckily, the coastguard is under Department of Transportation and not Pentagon jurisdiction. Otherwise Caspar would equip it with aircraft carriers and battleships before we had time to blink." This kind of tenuous claim--as we have described them--carries special weight in the Washington kitchen cabinet, where the role of any given official is measured on his standing with the President. This applies especially to Weinberger, of whom it is said that all are against him with the exception of Reagan, and that he keep afloat exclusively thanks to the latter's favor.

So, does this mean that clouds are gathering above the head of the Pentagon thunderer? The answer to this question could be a "yes" or a "no." Such is the dialectic of the political ins and outs.

Let us begin with what speaks for a "yes." Congress did not fully satisfy Weinberger's appetite. Pentagon extravagance has become the talk of the town. Two Senators--David Pryor and Lawton Chiles--have demanded his resignation. Some other lawmakers have joined them. But let us dig deeper: Why does not

the mountain (Capitol Hill) go to Muhammad (Weinberger), the Pentagon chief has become a convenient whipping boy. Congress is trying to lay all the blame for the arms race, which is becoming more and more unpopular in the United States, at his door. This is more convenient, especially as the midterm elections are not far off.

However, the "hawks" too are dissatisfied with Weinberger.

Their dissatisfaction is of a different kind. They hold that Caspar is not sufficiently flexible in his efforts to sell his "wares." Like a robot or a tape recording he repeats the same arguments word for word in committees and subcommittees, boring everybody to tears, the "hawks" grumble. The CHRISTIAN SCIENCE MONITOR writes: "With his excessive publicity, Weinberger has probably done more harm than good to the cause of strengthening defense capability..." The defense secretary's critics are accusing him of behaving more like an arms manufacturers' salesman than a Pentagon chief. The "hawks'" feelings were expressed succinctly if undiplomatically by Barry Goldwater, chairman of the Senate Armed Services Committee. He said: "Caspar is behaving like a certified idiot." (For an "idiot" he is not doing badly: The Pentagon budget which totaled \$160 billion in the last year of Carter's presidency is now in the region of \$300 billion!)

Incidentally, even Senator Pryor, who is sickened by Weinberger's traveling-salesman style, is calling for his resignation not because he is pushing the country toward the dangerous brink of a war catastrophe, but because he "fails to inspire," you see. Pryor said recently that Weinberger "is no Churchill, capable of inspiring people...He is just a traveling salesman and, in my view, not a bad one; moreover he is a good poker player."

The biggest insult for Weinberger in that tirade was the uncomplimentary comparison with Churchill. The point is that Caspar is an aglophile and Churchill is his idol, the ideal and example to be emulated. He even collects the paintings of the late British premier, who in addition to being a profession rabble-rouser was also an amateur artist. But, of course, the paintings are just a sideline. It is no accident that Weinberger, who is never at a loss when it comes to making anticommunist and anti-Soviet speeches, chose for his most outspoken speech yet Westminster College in the small Missouri city of Fulton, where many years ago Churchill made his notorious "Iron curtain" speech. Weinberger wrote the Fulton speech himself, not trusting it to the usual speech writers. It contained the following passage: "We are under threat of degenerating into ascetic systems analysts, devoid of the passion, vision, and talent to inspire which Churchill possesses in such full measure." By an irony of fate, Weinberger's critics are now using this passage against Weinberger himself. Furthermore, through innuendo, they are advising Reagan to take the Pentagon away from Caspar and send him to London as ambassador to the court of Her Majesty the Queen of England. To complete his education.

However, "the ascetic systems analyst" by no means considers himself the Moor who can now go [quote from a Schiller tragedy: "The Moor has done his duty,

the Moor can go." Used of someone who, having done an unpleasant job, is dispensable]. He has said that he does not intend to retire because he "still has much work to do." Weinberger is sparing no effort, using fair means and foul--or rather, just the latter--to urge on the arms race.

When Arnaud de Borchgrave, chief editor of THE WASHINGTON TIMES--an inveterate anti-Sovietist and hack--asked Weinberger: "What do you think about before you fall asleep?" the latter replied: "That at some point, one night, the Russians may want to test our potential, our resolve, and our ability to defend our freedom. You never feel free from the responsibility with which you have been entrusted. This is no nine-to-five job. You feel your responsibility around the clock."

Weinberger's references to "around-the-clock responsibility" involuntarily brings to mind the fate of one of his predecessors, Forrestal, who also "saw the Russians coming." Forrestal, as is well known, leaped to his death through a hospital window. So far Weinberger is only climbing into the "window of vulnerability."

The rumors about his possible resignation have whipped up further the Pentagon chief's sense of "around-the-clock responsibility." There has been a marked increase in the number of speeches he is making inside and outside Congress, his press contributions and television appearances. Caspar is indeed just like an automatic tape-recorder playing the same tape over and over again. Here are some random samples of his speechifying, Churchillian in substance, though clearly inferior to the original in style: "The United States is lagging behind the Soviet Union as a military power." "The United States still has not managed to achieve approximate nuclear parity with the Russians." "We must continue to buildup our military might. This is not a case where we can look into the basket and say: 'Oh, it is empty, we have run out.'" (The basket into which the Pentagon "hawks" are putting their eggs is bottomless.)

The ballyhoo raised in Washington around Weinberger's waning influence and possible resignation is not just the usual scandalmongering that goes on in the corridors of power. It also has another, very pernicious side. To the accompaniment of this racket the Republican administration continues to play with fire, while simultaneously pretending to show restraint and even peaceableness. The most striking example of this is the events surrounding President Reagan's recent statement on the Soviet-American SALT II treaty.

As is well known, the U.S. ruling circles have embarked on the path of gradually crawling out of this agreement, amputating its vitally important provisions one after another. President Reagan has said outright that he has issued instructions to the Pentagon "to expand the program for the modernization of the U.S. strategic forces." And these are no empty words. In addition to the MX missile another strategic missile, the Midgetman, is being built in violation of the SALT II treaty. The deployment of the new U.S. medium-range nuclear missiles in West Europe is in complete disregard of the treaty. And, finally, there is the "star wars" program, which provides for

the development of space strike facilities with the simultaneous buildup of offensive strategic arms.

However, although no account is taken of the SALT II treaty in Washington's strategic plans, people there have deemed it too risky to abandon the treaty outright and overtly, bearing in mind the mood of the U.S. and West European public. Hence the quest for a formula which would gloss over the true meaning of the White House stances. Its essence, in short, is as follows. In order not to infringe the ceilings set by the SALT II treaty for multiple-warhead ICBM's, the President has decided to dismantle a Poseidon submarine when the U.S. Navy takes delivery of the next modern, Trident-class submarine (named "Alaska").

This White House move was presented by official propaganda as apparently an act of "supreme peaceableness." The newspapers were falling over themselves and, copying the style of a political thriller, were reporting melodramatic details about how Reagan succeeded in "taming" his "hawks."

The WASHINGTON POST wrote that, when on Sunday 16 June the President decided in favor of the notorious dismantling, "some middle-ranking White House staffer rang a colleague in the Arms Control and Disarmament Agency and told him gloomily: "All is lost." But this too is part of the political melodrama and propaganda juggling with facts. In reality nothing "is lost." As Reagan himself emphasized, his decision is a one-shot measure which does not mean that he will act likewise in the future. (There is to be a total of 24 Trident submarines). But this is not the only, nor even the most important point. Washington has essentially appropriated the "right" arbitrarily to decide which commitments under the SALT II treaty the United States will observe and which it will not. Furthermore, the elaboration of the appropriate steps has been entrusted to...Weinberger.

The observers who did not succumb to euphoria quickly saw through this trick. Among them is the Washington observer George Will. His testimony is not just revealing, it is also intriguing. The point is that Will is the most reactionary among Washington journalists. In disclosing the reverse side of the President's decision he sought by means to expose him: He only wanted to reassure the alarmed "hawks." So, Will writes that "Reagan is twisting his critics around his little finger," he is by no means a champion of the SALT II treaty but has simply "started the clock in a new game, passing the ball to his secretary of defense," that is, Weinberger again.

The White House propaganda trick can mislead only the gullible. The same applies to the rumors about Weinberger's imminent resignation. After all, what is essential is not who is heading the Pentagon but what policy he is implementing. Incidentally, Weinberger himself, receiving the "ball" from the President, is in no hurry to retire. He is fully resolved to play the game to the end. "If I do not do it, no one will," Churchill's admirer has declared conceitedly. Criticism and critics do not embarrass him in the least. "It is the same as judging beauty contests," he says. "The longer you

do it, the more people you disappoint." What a comparison--"a beauty contest" that reeks of radioactive cinders!

Meanwhile Weinberger goes on: "Where I too agree to the zero growth which Congress is demanding for fiscal 1986, in exactly 15 minutes everyone would be saying: "What a wonderful, sensible man!" However, Weinberger does not intend to agree, and people concerned for the fate of their country and the world do not regard him even as a wonderful, much less a sensible man. But with him it is like water off a duck's back. "Weapons systems are not made to be viewed in a museum. They are meant for use," the Pentagon chief declares menacingly. Indeed, these systems are no canvasses, and not even Churchill, whom he worships so much, could present them as such.

...When advance copies of the draft federal budget for Fiscal 1986 were being handed out to the journalistic fraternity at the Government Printing Office in Washington, it was startlingly, unseasonably cold in the premises where this traditional ceremony was being held. White House staff handing out the bulky budget folios were shivering in thick sweaters and scarves. The reason was not bad weather, nor air-conditioning running wild. It was simply that someone had brought buckets of ice into the room, filling it with icy vapor. Melodies from the movie "The Big Freeze" hung in the icy air. This entire comedy was conceived as a symbol of frozen budget expenditure--including, perhaps above all, military spending. In reality, however, it was another act in the tragedy because the icy vapor in the Printing Office, just like the clouds above Weinberger's head, are merely a smokescreen behind which Washington continues to play with fire. The only kind of fire that burns on happily right next to the ice of the cold war.

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UNITED STATES AND CANADA

SOVIET, U.S. APPROACHES TO TIES WITH CANADA CONTRASTED

PM091525 Moscow SELSKAYA ZHIZN in Russian 5 Jul 85 p 3

[Article by special correspondents Yuriy Lobov and Nikolay Pastukhov "From the Canadian Notebook": "Cold Winds from the South"]

[Excerpts] As well as direct financial inroads into its northern neighbor's economy, Washington is unprecedentedly expanding its protectionist actions. Matters have reached the point where the Canadian government recently sent the United States a protest note. It was provoked by a ban on the import onto U.S. territory of certain types of livestock, lumber, and sawn timber from Canada. All this could deprive the Canadian treasury of several billion dollars' worth of receipts. What is more, Washington is forever demanding from Ottawa new price reductions on Canadian oil and natural gas. The Americans are currently buying this raw material from Canada at a price which is 25 percent below the world price. Washington is also chasing its northern neighbor up a blind alley by trying to prohibit it from trading with socialist countries.

It must be said that Canada is resolutely resisting the United States on this issue. This is evidenced by the results of the visit to the Land of the Maple Leaf by an RSFSR delegation led by V.I. Vorotnikov, member of the CPSU Central Committee Politburo and chairman of the RSFSR Council of Ministers. When the Soviet delegation left Canada, we remained in that country and could see for ourselves from the press reports that the visit had been a success.

As is apparent from Canadian mass media commentaries, V.I. Vorotnikov's talks with Canadian officials opened up even broader prospects for trade and economic cooperation between our countries. The fifth session of the Soviet-Canadian Mixed Commission on Economic, Industrial, Scientific, and Technical Cooperation, held in mid-June in Moscow, lent new impetus to the development of bilateral relations.

Soviet-Canadian cooperation in the sphere of agriculture is developing successfully. It is by no means limited to grain purchases. Within the framework of the permanent mixed Soviet-Canadian Commission on Agriculture there is an exchange of genetic stock and scientific research. High-yielding livestock breeds and new models of agricultural equipment are supplied to our country.

Soviet "Belarus" tractors, which have gained great popularity among farmers, are in operation on Canadian fields.

So the U.S. spokes thrown into the wheels of Soviet-Canadian mutually advantageous cooperation are repeatedly breaking. But the southern neighbor wants to achieve its ends by hook or by crook. The U.S. administration, under the thumb of the military-industrial complex and big business, does not force their enterprises to erect purification installations. As a result U.S. waste in the form of acid rain is falling on Canadians in ever increasing amounts. This ecological problem has become a political problem and is the subject of acute Canadian-U.S. friction.

The acid rain story shows that the relations which are taking shape between the two North American states in the sphere of environmental protection are typified, in the words of Canadian scientist D. Manton, by the growing danger of the establishment not only of economic in particular, but also other types of Canadian dependence on the United States. And this prospect is provoking ever increasing opposition from the Canadian public.

Washington's importunity vis-a-vis Canada knows no bounds. The United States is now trying to suppress a major political scandal caused by reports that the CIA is engaged in industrial and economic espionage against Canada. The fact is that a Canadian parliamentary deputy, S. Robinson, made public a secret CIA directive which fell into his hands. But, after all, this is just one document which became public knowledge by accident. How many of this kind of directive and specific steps have been undertaken by the CIA in the last decade? We can only hazard a guess at this!

Indeed, the talented and industrious Canadian people are experiencing many anxieties and misfortunes at the present. But they are full of optimism and hope for better things. Their way to achieve this is opened up by the struggle for peace, Canada's independence, and its equitable cooperation with all countries, whatever sociopolitical system they belong to. The Canadians whom we met during our tour of the country told us of these hopes and optimism.

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UNITED STATES AND CANADA

U.S. MILITARY USE OF MICRONESIA, TREATMENT OF PEOPLE DEPLORED

LD141232 Moscow Domestic Service in Russian 0930 GMT 14 Jul 85

[Text] The United States is grossly abusing its mandate for trusteeship over the government of Micronesia, violating vital interests of its population. This was stated at the session of the UN Trusteeship Council which has finished in New York. At the microphone is Vitaliy Gan, international affairs journalist:

If you remember, the hero of one of Krylov's fables deduced the moral lesson that the strong always blame the weak. This conclusion comes involuntarily to mind then one acquaints oneself with the policy of the United States toward small countries and peoples. In Washington's eyes they are to blame in that U.S. imperialism is striving after global hegemony, seeking to bring ever more regions under its control. In this context the fate of Micronesia is highly instructive. This country consists of over 2,000 islands in the Western Pacific.

I remind you that the UN Security Council gave the United States a temporary mandate to rule this territory in 1947. Washington was charged with preparing Micronesia for independence as quickly as possible, and fostering the political, economic, and social progress of the population. The United States gave its word, and what happened? The answer to this question has come from the 52d session of the UN Trusteeship Council, which has just ended in New York.

Witnesses' evidence and factual data make it possible to come to the irrefutable conclusion that over the past years the only thing the USA has succeeded in doing is militarizing Micronesia, which, moreover, Washington intends to annex, by hook or by crook. The Pentagon is implementing its plans to turn the region into its military bridgehead in the Pacific at full speed. Existing test-ranges on the islands are being expanded, and new ones are being established for trials of missile technology. The network of naval bases, airfields, and stockpiles of nuclear, chemical and other forms of weapon of mass destruction is being perfected.

All this is seen by the Pentagon as being of outstanding importance, since Micronesia is situated on the route between the Far East and the Indian Ocean.

In the meantime, the population of the islands, ensnared in the dangerous web of military installations, live the lives of outcasts, enslaved economically, and politically without rights. The protests of the Micronesians are at best ignored, but usually they are brutally crushed. Those who spoke at a session of representatives of the social and political organizations of Micronesia convincingly strove to show that the colonialist practices of the governing power was aimed at turning the trust--territory into a kind of Pacific ghetto.

Now that Washington is striving with maniacal determination to militarize space, there is every ground for supposing that the bitter fate of the Micronesians will remain completely unchanged for the foreseeable future, for it is known that the Pentagon is preparing the Kwajalein atoll, its main base in the Marshal Islands, for development of its star wars program.

Arrogance is always repugnant. American-style arrogance is doubly repugnant, for it tramples upon the rights of a whole people, and tramples upon the obligations flowing from the UN charter and its decisions, that is, the will of the entire international community.

It doesn't take away my appetite: this utterance by the present master of the White House, about differences between the positions of the United States and the vast majority of UN members, is in essence the credo of the U.S. administration, the credo of neocolonialism.

CSO: 1807/385

UNITED STATES AND CANADA

ARMAND HAMMER CITED ON SOVIET-AMERICAN TRADE

PM251409 Moscow SOVETSKAYA ROSSIYA in Russian 18 Jun 85 Second Edition p 3

[A. Borovik report on Armand Hammer press conference under the "Newspaper Interview" rubric: "In Favor of Normalizing Relations"]

[Text] Armand Hammer, president and chairman of the board of directors of Occidental Petroleum and a leading representative of U.S. business circles, has been visiting the Soviet Union.

Yesterday he gave a press conference for Soviet journalists and foreign correspondents accredited in Moscow.

Armand Hammer gave his impressions of his meeting with M.S. Gorbachev, general secretary of the CPSU Central Committee.

Replying to your SOVETSKAYA ROSSIYA correspondent's question about the state of USSR-U.S. trade and economic relations, he said among other things:

"Trade cannot be regarded in isolation. In one way or another it reflects the political relations between the two countries, and consequently our trade ties are at present at a very low ebb. As for the state of trade between Occidental Petroleum and the Soviet side, I would rate it as positive."

A. Hammer went on to announce that he has proposals for further increasing supplies within the framework of the existing 20-year agreements between his company and Soviet foreign trade associations.

Both countries' business circles, Armand Hammer noted in conclusion, have an interest in normalizing the whole range of relations between Moscow and Washington.

CSO: 1807/380

UNITED STATES AND CANADA

NEW BOOK ANALYZES TRENDS IN U.S. MILITARY SPENDING

PM150926 Moscow KRSNAYA ZVEZDA in Russian 11 Jul 85 Second Edition p 3

["New Books" review by Professor Doctor of Economic Sciences Major General A. Gurov: "In the Illusory Hope of Superiority"]

[Text] Following the Marxist-Leninist methodology of the dialectical interdependence of economics and politics, many key issues of the evolution of U.S. military policy can be examined through the prism of the budget by considering the most important factors in its formulation and implementation. This is exactly what Soviet economist Yu. Katasonov has done in his book on the aggressive policy of U.S. imperialism. (footnote) (Yu.V. Katasonov. U.S.A.: MILITARY POLICY AND BUDGET. [SSHA: VOYENNAYA POLITIKA I BYUDZHET] Nauka Publishing House, 1984, 192 pages, price r1.50) The book is of great interest for officer personnel. It can be of great help in the work of leaders of groups for Marxist-Leninist training and political instruction and everyone engaged in agitation and propaganda work among servicemen.

The author emphasizes the continuity of U.S. military policy in different periods and the immutability of Washington's aim of attaining superiority. The United States' openly militarist course in the eighties is not the result of action by any one administration but the outcome of the long-term hegemonist policy of the U.S. ruling circles, which have been laying its material, military-doctrine, and political foundations over a number of years.

The military budget is the most general indicator of the scale, pace, and orientation of militarist preparations and the arms race unleashed and whipped up by the United States. The book shows that its dynamics since World War II has had two law-governed features: first, the long-term tendency toward growth; second, the cyclical nature of this growth and the alternation of acceleration and deceleration. The aggressive wars unleashed by U.S. imperialism in Korea and Vietnam were the peaks of two already completed cycles. The current, third cycle of the arms race and growth of military expenditure is particularly dangerous.

During the eighties official Washington openly proclaimed a course of an accelerated arms race and an escalation of the military budget that was unprecedented in peacetime. It almost doubled (from 138 billion to 263 billion dollars) in the fiscal years from 1980 to 1983 alone. The book notes

that the Reagan administration has sharply increased its reliance on using the arms race as the most important avenue of confrontation with the Soviet Union. More and more funds are appropriated each year for the creation of nuclear first-strike weapons--the latest MX ICBM's, Trident ballistic missiles for nuclear-powered submarines, Pershing-2 medium-range missiles, and also cruise missiles, B-1B and Stealth bombers, and others. The creation and stockpiling of new types of chemical weapons have also been accelerated. Washington's plans for the militarization of space pose a particular threat to peace and international security.

But the U.S. administration's attempts to attain military superiority are illusory. They are doomed to failure. This is perceived even by realistically minded politicians in the United States itself. A statement by former U.S. Defense Secretary H. Brown, quoted in this connection in the book, is worthy of attention: "There can be no return to the times of America's nuclear monopoly. Nor can there be a winner in a universal nuclear arms race.... To imagine that the Soviet Union will fall behind in the nuclear arms race or that it will not sustain the additional difficulties... is wishful thinking to an extreme degree."

The Soviet Union counters the adventurism of the incumbent U.S. administration's militarist policy with its universally supported course of strengthening universal peace and eliminating the threat of war and its resolve not to allow the military-strategic equilibrium between the USSR and the United States to be disrupted.

CSO: 1807/385

UNITED STATES AND CANADA

U.S. BUSINESSMAN VIEWS FARMING TIES WITH USSR

PM121435 [Editorial Report] Moscow SELSKAYA ZHIZN in Russian 10 July 1985 carries a 1,400-word undated interview by correspondent O. Sidorchuk, entitled "We Need Mutual Understanding," with John Crystal, recently in the USSR at the invitation of the Academy of Sciences United States of America and Canada Institute, an agricultural and finance specialist, president of the Iowa Bankers Trust, and owner of Garst Seed, America's third-largest seed selection and growing company. Crystal says that he has "always held a high opinion of Soviet agricultural science" and is "convinced that the agrarian sector of your economy is developing successfully." He also opines that "many people in the United States underestimate Soviet agriculture's growth rate and potential."

The interview contains the following passage:

"[Sidorchuk] What potential do you see for developing Soviet-American cooperation in the agricultural sphere?

"[Crystal] Agricultural science could become an important sphere of cooperation. The Soviet Union has had great success in this sphere, and there is consequently a good basis here for mutually beneficial exchange. Exchange of new technology and also trade in agricultural products could become a promising sphere of cooperation.

"In Moscow I met with the leaders of a number of ministries and scientific establishments and had a conversation with V.P. Nikonov, secretary of the CPSU Central Committee. I must say that I have been constantly aware of the Soviet side's interest in mutually beneficial cooperation with the United States and at the same time of your confidence in your own ability.

"On behalf of Garst Seed I have proposed that an exchange of highly qualified specialists with experience of agricultural work be set up. We are also prepared to send our hybrid corn and sorgum to the Soviet Union for the strains to be tested there and in return would like to receive wheat and alfalfa seeds for testing and comparison with American strains. We have reached an accord in principle on these questions with the USSR Ministry of Agriculture and the V.I. Lenin All-Union Academy of Agricultural Sciences."

Crystal concludes by discussing the "problems of limiting the arms race."

CSO: 1807/380

UNITED STATES AND CANADA

BRIEFS

SOVIET, AMERICAN JOURNALISTS MEET--A delegation of the American New England Society of Newspaper Editors (NESNE) was in the Soviet Union 3 through 11 July at the invitation of the USSR Journalist Union. During their stay in the USSR the American guests were received by V.G. Afanasyev, chairman of the board of the USSR Journalists Union and chief editor of PRAVDA. The latest, fourth, annual "round table" meeting of Soviet and American journalists was held in Suzdal. Readiness was expressed to continue and develop the creative contacts between the two countries' organizations of journalists with a view to improving mutual understanding between the American and Soviet peoples.

[Text] [Moscow PRAVDA in Russian 12 Jul 85 First Edition p 4]

CSO: 1807/380

WESTERN EUROPE

BROADCASTS ASSAIL U.S., NATO POLICIES ON CYPRUS PROBLEM

Broadcast in Turkish

LD201435 Moscow in Turkish to Turkey 1730 GMT 19 Jun 85

[Station commentary entitled "Militarist Actions of the United States and NATO in Cyprus Cause Intensification of Tension on the Island"]

[Excerpts] The statement of the Cypriot government reminds us that the Cyprus problem still remains unsolved. Such a situation naturally arouses anxiety among all real friends of the independent and sovereign Cyprus. It is clear that the West, which will not give up its plans for turning the island into an unsinkable aircraft carrier for the United States and NATO in the eastern Mediterranean, is responsible for this. Recent developments show that the militarist activities of the United States and NATO in Cyprus only intensify tension. Indeed, the large air base installed by the decision of the Pentagon and the American money in (?Lefkoniko) on the northern part of the island, the base installed hastily farther south for NATO naval forces, and the NATO strategists' plans to install a giant missile base on the Karpas Peninsula, bring nothing but tension to the Cypriot people.

The United States and its NATO allies, by keeping quiet with militarist intentions about the separatist actions aimed at formalizing the division of the island in return for the consent of the Turkish side to the installation of the aforementioned installations, virtually approved these actions. The proclamation of the Turkish Republic of Northern Cyprus, the referendum on the constitution, the presidential elections, and the planned parliamentary elections are some of the separatist actions condemned by the United Nations.

The aim of the support of all militarist forces and above all the United States of such separatist actions is to formalize the division of the island, to increase further the distrust between the Turkish and Greek Cypriots created with the efforts of imperialists and reactionaries, and, in the conditions of such a difficult and complex situation, to realize the imperial (?rule) over Cyprus and the whole Middle East.

Dear listeners, as you know, there has been no change in the U.S. and NATO anti-Cypriot policy over the 25 years since the foundation of the Republic of Cyprus. Hostile imperialist circles were involved in the clashes provoked

many times between Turks and Greeks and in the coup d'etat of the summer of 1974, whose disastrous consequences are still being felt. United in an anti-imperialist front, the patriotic circles of Cyprus are determined to fight against the insidious plans of the West to annihilate the state of Cyprus. They wish to make their homeland a really independent, sovereign, indivisible, demilitarized, and non-aligned country.

Broadcast in Greek

NC262033 Moscow in Greek to Cyprus 1700 GMT 26 Jun 85

[Text] As is well known, so-called parliamentary elections have been held in the northern part of Cyprus. Our commentator has written on this.

The Cypriot Government has condemned these elections and described them as illegal. An AKEL statement stresses that the parliamentary elections in Northern Cyprus constitute a continuation of the dangerous policy of faits accomplis. Unfortunately, many such events have taken place. Ambassadors were exchanged between the secessionist government and Turkey, a referendum was held on a Constitution, and presidential elections even took place on 9 June. All these things can only be described as an attempt by the leaders of the Turkish Cypriot community to provide a legal cover for the establishment of the so-called Turkish Republic of Northern Cyprus.

However, such a chain of events, and this is stressed by observers, does not serve the interests of the Turkish Cypriots, the Greek Cypriots, or their common fatherland. At the same time, these developments undermine the basis for a just political settlement on the island and contradict UN resolutions on the Cyprus issue.

As is well known, the Security Council, with its Resolutions 541 of 18 November 1983 and 550 of 11 May 1984, condemned actions taken with the goal of partitioning Cyprus. It also asked the international community not to recognize any government on the island except the Republic of Cyprus, and to respect its sovereignty, independence, and territorial integrity. The secessionist course pursued by the Turkish Cypriot leadership is profitable for those who oppose the independence, sovereignty, territorial integrity, and nonaligned policy of the Republic of Cyprus. Isn't this proven by the sudden military activity on the island involving the United States and its NATO allies?

Taking advantage of the aggravated situation on the island, Washington is arbitrarily transforming Cyprus into a transit point for the U.S. Rapid Deployment Force. According to Cypriot press reports, the British base at Akrotiri and Larnaca's civil airport have already received special units from the United States. In order to maintain secrecy, no one may enter the British base by land or sea. The number of guards at the base has been increased. The press has pointed out that Cypriot fishermen are not allowed to fish near the base. The provision of similar services continues, as noted in the AKEL Central Committee statements, and this creates serious and unpredictable

consequences for Cyprus and its people. Nonaligned Cyprus is currently being used by the U.S. forces as a base and a transit point for military preparations.

London and Washington must be familiar with the UN resolutions on the demilitarization of Cyprus, which have the active support of the Cypriot Government. Meanwhile, they continue to assure the Cypriots of their friendship and respect for the island's sovereignty. How can anyone believe that these assurances are sincere when the United States and Britain have no intention of abiding by the UN resolutions, but want to continue militarizing the island?

For instance, we have learned that the United States is working quickly to complete the largest U.S.-NATO airbase, which will be in Lefkoniko. According to reports in the newspaper KHAKAVYI, the United States has paid \$878 million to set up this huge airport near Famagusta. The construction site was selected by members of the U.S. military. The entire area covered by the base has been declared a forbidden zone, which no one may enter without a special pass. The military base at Lefkoniko is equipped with America's most advanced technical equipment. It will be given to the Pentagon for use as a new bridgehead for aggressive plans in the Middle East.

By fomenting secessionist tendencies on the island, Washington insidiously continues to lead Cyprus toward partition and transformation into a military-strategic bridgehead for NATO. Our commentator concludes: The secessionist activities conducted by the leaders of the Turkish Cypriot community contribute to this, regardless of how hard Washington is trying to justify them before the international public.

CSO: 1807/381

WESTERN EUROPE

SOVIET-FRENCH JOINT TRADE COMMISSION MEETS

Moscow EKONOMICHESKAYA GAZETA in Russian No 15, Apr 85 p 22

[TASS Report under the rubric "Foreign Economic Contacts": "Session of the Permanent Soviet-France Commission"/]

[Text] The 9th Session of the Permanent Soviet-French Joint Commission for Scientific, Technical and Economic Cooperation was held in Paris on 1 through 4 April. The meeting was chaired by E. Cresson, French minister of foreign trade and industrial redeployment. The Soviet delegation was led by Ya. P. Ryabov, deputy chairman of the USSR Council of Ministers.

The joint commission, formed in 1966, promotes practical implementation of diverse cooperation between the two countries both in economic areas, and in science and technology. The scientific and technical ties between the USSR and France currently encompass several dozen areas of science, technology, and industry, including atomic power engineering, space research and utilization of outer space for peaceful purposes, and color television. France is one of the USSR's main trade partners in the capitalist world. The turnover of goods between the two countries is rising steadily.

Those attending the session, which was held in a businesslike and constructive atmosphere, considered a wide range of issues involving the status of Soviet-French trade, economic, scientific, and technical cooperation, and prospects for its further development. As stated in the protocol signed by the heads of the delegations at the end of the session, both sides confirmed their conviction that fruitful cooperation in these areas, in accordance with the provisions and spirit of the concluding document of the Conference on Security and Cooperation in Europe, corresponds to the fundamental interests of the Soviet and French peoples. Attention at this session was focused on opportunities for further stimulation and deepening of Soviet-French cooperation based on equality and mutual benefit, which corresponds to the spirit of the recent talks between the leaders of the Soviet Union and France.

The communique that was issued states that since 1980 there has been a significant increase in the turnover of goods between the two countries. Between 1980 and 1984 this indicator reached about 20 billion rubles, which represents a more than 2-fold increase over the 1975-1979 period. Negotiations are now being held on a number of major cooperative projects.

The two sides agreed to start preparing a draft agreement for economic cooperation for 1986-1990.

The document stresses that scientific and technical cooperation between the Soviet Union and France is developing successfully in accordance with existing agreements.

The commission placed special emphasis on the development of cooperation between the USSR and France in the area of space research and utilization of space for peaceful purposes, stressing the importance of projects and experiments such as the launching of the "Vega" Soviet space systems, medical research on the "Salyut" space station using the French "Echograph" instrument, and so on. Also noted was French participation in the Soviet "Phoebus" project to study Mars and its satellite Phoebus.

Responding to questions from media representatives, Ya. P. Ryabov noted that fruitful cooperation between the USSR and France is helping to restore a climate of trust and detente in relations between states with different social systems.

The head of the Soviet delegation met with L. Fabius, the French prime minister. They discussed issues involving bilateral Soviet-French relations in the area of economics, science, and technology. It was noted that the discussions held recently in Moscow between the leaders of the USSR and France, and the work of the current session of the joint commission, have confirmed their mutual interest in expanding and deepening commercial cooperation between the two countries. The problems that arise in the course of this kind of cooperation can and should be overcome through joint efforts, taking into account the interests of both sides and mutual gain.

A reception was held at the Soviet Embassy in Paris, and among those attending the reception were Ya. P. Ryabov, E. Cresson, officials from both countries, members of the Politburo and secretaries of the Central Committee of the French Communist Party M. Gremets and G. Plissonier, and numerous representatives of French business circles.

At the Elysee Palace F. Mitterrand, president of the French Republic, received Ya. P. Ryabov, deputy chairman of the USSR Council of Ministers and head of the Soviet delegation to the 9th Session of the Permanent Soviet-French Joint Commission on Scientific, Technical, and Economic Cooperation, which was held in Paris.

They exchanged views on a wide range of issues involving Soviet-French relations, primarily in the area of further development of trade, economic, scientific, and technical cooperation between the USSR and France. It was pointed out that the latest session of the Soviet-French commission focused attention on opportunities for stimulating and deepening this cooperation on the basis of equality and mutual gain, which corresponds to the spirit of recent Soviet-French discussions in Moscow between the leaders of the two countries.

During the course of the discussion it was stressed that expansion of mutually beneficial ties and contacts between the USSR and France in various areas, including the political realm, is an important element in strengthening peace and security in Europe and in restoring a climate of trust and detente in the interest of the Soviet and French peoples.

WESTERN EUROPE

GDR PAPER CITED ON FRG STAND ON GDR SOVEREIGNTY

PM251329 Moscow IZVESTIYA in Russian 25 Jun 85 Morning Edition p 5

[TASS report under the rubric "The Press Bears Witness": "Vain Attempts"]

[Text] Berlin, 24 Jun--In the FRG certain forces are not ceasing their attempts to cast doubt on the sovereignty of the GDR and the citizenship issue. These forces would not be averse to revising the territorial and political structure which formed in Europe after the defeat of Hitler's fascism and the liberation from Nazism.

This is recalled by the newspaper NEUES DEUTSCHLAND which publishes replies to letters from the republic's working people containing questions about GDR state citizenship and the FRG's illegal claims in the matter.

The claims which are being heard in the FRG, NEUES DEUTSCHLAND stresses, are fundamentally at variance with the norms of international law, which are binding for all states, the UN Charter, the Final Act of the all-European conference in Helsinki, the treaty on the foundations of relations between the GDR and the FRG, and other multilateral and bilateral treaties and agreements which unambiguously assert that the GDR and the FRG are sovereign states like all other countries of the world. Specifically, this means in particular respect for GDR citizenship.

The sovereignty of the GDR, the newspaper points out, as of any other state, is indivisible. International law requires from all states respect for the inviolability of state borders and the citizenship of any state and makes it compulsory for the citizens of another state to be treated in accordance with universally accepted norms. However, the FRG is still trying to legitimize discriminatory practice against GDR citizens, seeking to extend its jurisdiction to them. Understandably, this does not help to establish good-neighborly relations between the German states and it is delaying the detente process in Europe.

CSO: 1807/381

WESTERN EUROPE

FRENCH AGRO-INDUSTRIAL EXHIBITION

Moscow SEL'SKAYA ZHIZN' in Russian 12 Apr 85 p 3

[Article by K. Mezentsev: "Developing Cooperation"]

[Text] The special exhibition "Agro-Industry--France '85" opened yesterday in Moscow's Sokolniki Park, with sections devoted to processing agricultural products, chemicalization of farming and animal husbandry, the application of contemporary technologies, and land improvement. There are more than 150 French enterprises represented here, and the majority are firms and companies that are leaders in the agro-industrial sphere. France is one of the agricultural leaders of Western Europe, so it is clear why Soviet scientists and specialists would be interested in this exhibition.

V. K. Mesyats, USSR minister of agriculture, spoke at the opening of the "Agro-Industry--France '85" exhibition and gave some examples of mutually beneficial Soviet-French cooperation, including the ties with the "Binier-Schmid-Lorraine" ("BSL") Company, which is engaged in the development of specialized transportation equipment. J.-M. Drouen, chief engineer at the firm, said that in 1981 the first trailer truck was created for shipping milk using the chassis of a Soviet truck trailer and a "KamAZ" [Kama Motor Vehicle Plant] tractor. "BSL" is supplying the tanks for this specialized transport equipment.

The "Instrument Medecin Veterinaire" company has been developing commercial cooperation with the Soviet Union for over 60 years. Its founders were pioneers in the artificial insemination of cattle in France. B. Cassou and S. Busseau told me that equipment supplied by this company has been in use for a long time in Moldavia, Lithuania, and Belorussia. This time, in addition to their selection of instruments and devices, the firm is demonstrating its "Ovomobile", a mobile artificial insemination laboratory.

This is not the first time that the "Poclain Hydraulique" Company has participated in an exhibition in the Soviet Union. A. Grobie, the company's representative, described their products--hydraulic low-rotation motor wheels. Our country has already received some of these assemblies, which are used widely in agricultural machinery. The company plans to step up long-term cooperation.

There are many old friends among those participating in the exhibition. M. Tierrion, president and general director of one firm, told about the "Muta" equipment for placing bottles in boxes and containers. The superlight airplane built by the "Sefelec" Company has caught the attention of many visitors. All the exhibitors have something in common--they are sparing no effort to strengthen and develop Soviet-French commercial ties. R. Souchon, minister-delegate from the French Ministry of Agriculture, noted that these efforts stress France's desire to play an important role in the USSR's cooperation with foreign countries in the agro-industrial sphere. French agro-industrial exhibitions in Moscow contribute a great deal to this goal.

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CSO: 1825/71

WESTERN EUROPE

GALLEGO ATTENDS CATALAN CP FESTIVAL

PM280804 Moscow PRAVDA in Russian 26 Jun 85 First Edition p 5

[Own correspondent V. Chernyshev report: "Festival of the Newspaper AVANT"]

[Text] Barcelona, 25 Jun--The festival of the newspaper AVANT, central organ of the Catalan Communist Party, was held here over a 3-day period. The festival took place beneath the slogan "No to NATO, Down With American Military Bases, For a Policy of Neutrality."

Tens of thousands of Barcelona citizens and delegations from other parts of Spain sited the pavilions of Catalan party organizations and viewed the stands of fraternal party newspapers from the GDR, Poland, the CSSR, and other countries. PRAVDA's stand was devoted to the 40th anniversary of the Soviet peoples victory in the Great Patriotic War and the achievements of the land of the Soviet in communist building. Concerts by a Soviet artists' ensemble were held with great success.

The festival ended with a mass meeting which was addressed by J. Ramos, secretary general of the Catalan Communist Party, and I. Gallego, secretary general of the Communist Party (Spain).

CSO: 1807/381

WESTERN EUROPE

PORTUGAL ACCUSED OF SUBVERSIVE ACTIVITIES IN AFRICA

'Holy Alliance' With S. Africa

PM221248 [Editorial Report] Moscow IZVESTIYA in Russian 22 May 1985 morning edition carries on page 5, under the "Behind the Scenes" rubric, a 1,800-word B. Pilyatskin article entitled "Double Game." The article alleges Portuguese support, with U.S. backing, for antigovernment rebels in Angola and Mozambique, citing, among other things, various publications in South Africa, Portugal, France, the United States, and so forth in support of the assertion. "If South Africa itself has become the bridgehead for the actual training, equipping, and dispatching of armed gangs into neighboring states," it says, "Portugal is the center of political activity and the refuge for the leaders of the counterrevolutionary rabble." It cites cases of mercenaries with Portuguese passports being captured. It speaks of "repeated" protests from the governments concerned about the "activity on Portuguese territory of offices belonging to counterrevolutionary groupings," but alleges that, despite "promises in Lisbon to close these hornets' nests of counterrevolution," this has not been done. It quotes the Paris magazine AFRIQUE-ASIE as saying that the "existence of a 'Holy Alliance' of businessmen and politicians in Portugal and South Africa leads to common interests and actions and explains the two countries' coordinated and complementary policy." Pilyatskin goes on from this to allege a "kind of global 'alliance of counterrevolution' which is being formed under U.S. auspices in which they wish to bring together Somozaist 'contras,' puppets from the National Union for the Total Independence of Angola [UNITA] and the Mozambique National Resistance Movement [RENAMO], and Afghan dushmans."

The article concludes by saying that: "The use of RENAMO in Mozambique and UNITA in Angola as shock detachments, the attempts to overthrow the governments in Zambia and Tanzania, and the campaign of blackmail and threats against Zimbabwe are all elements in a large-scale plot headed by the United States. In pursuit of its hegemonist interests Washington is its racist friends in Pretoria and those who are ready to act as a 'bridge' for the penetration of American imperialism into Africa."

'Hostile Schemes' in Angola, Mozambique

LD272333 Moscow in Portuguese to Africa 1830 GMT 27 May 85

[Text] At the recent meeting of the presidents of the five Portuguese-speaking African countries, criticism was levelled at certain political, financial, and military circles in Portugal over their participation in acts of aggression against the People's Republic of Angola and People's Republic of Mozambique. The African leaders stressed that such a line taken by Lisbon is seriously detrimental to relations between their states and Portugal. Our commentator Oleg Lavrukhin writes in this connection:

The People's Republic of Angola and the People's Republic of Mozambique are this year celebrating 10 years of independence. Throughout all this time, the forces of imperialism led by the United States have been engaged in subversive activities against them, seeking to force their peoples to renounce the path of socialism and their revolutionary gains.

Portugal's reactionary circles have of late become increasingly active in the prosecution of such hostile schemes. The former colonialists still hanker for the days when the cruelest exploitation of the African peoples reaped fabulous profits for the Portuguese and Western corporations. This is why they have of late substantially stepped up their efforts aimed at further opening the doors of Angola and Mozambique to foreign capital so that they may once more fall under its influence. For example, the notion was formulated in Lisbon not long ago of creating an escudo zone in Africa. Apart from an insignificant amount of financial aid, such a step would render the Portuguese-speaking African countries totally dependent on the Portuguese economy, and would thus inflict upon them all the troubles and constant crises that the capitalist economic system is going through.

At the same time, the Portuguese authorities impose no curbs whatsoever on the activity in their country of renegades from the anti-Angolan and anti-Mozambican groups. The terrorists of UNITA and RENAMO have opened offices in Lisbon. The representatives of the subversive groups are constantly giving interviews and issuing statements making propaganda for their crimes against the peoples of Angola and Mozambique, and hiring mercenaries.

In this connection, we would like to quote from the recently published book "Operation Africa" by the Portuguese journalists Fernando Semedo and Joan Paulo Guerra. The authors write that the problem is not just that the right and the opportunistic Socialist Party leadership are still unreconciled with the victory of the national liberation movements which decisively turned away from the colonial past and opted for the path of social progress: The primary cause lies elsewhere, specifically with the total subjection of the country's current foreign policy to the aggressive line taken by the U.S. Administration which, taking advantage of Portugal's traditional relations with the former colonies, has allotted to Lisbon the role of Trojan Horse for the defense of the economic and political interests of imperialism in southern Africa.

For our part, we would like to add that the Portuguese Government's policy in southern Africa runs counter to the efforts of the international community toward achieving peace in that part of the world, and is seriously detrimental to the struggle of the people of Angola and Mozambique for social progress.

Coordination With U.S.

Moscow APN DAILY REVIEW in English 5 Jul 85 pp 1-2

[Article by V. Volkov, PRAVDA correspondent in Lisbon: "Middlemen or Accomplices? Portugal's Double Dealing in Africa"]

[Text] Sometime ago a seminar sponsored by several private American and Portuguese funds was held in Portugal. It was attended by Deputy Assistant Secretary of State for African Affairs Frank Wisner, former U.S. Ambassador to Lisbon R. Bloomfield and a team of top-ranking U.S. officials. Two major items were on the agenda: "African Aspects in Portugal's Foreign Policy" and "U.S. Foreign Policy in Africa."

The main conclusion drawn by those attending the event was as follows: rich mineral deposits in former colonies, combined with U.S. investments and "Portuguese experience", can become a chief factor in the future political and economic development of those African states. To put it differently, Washington would like to use Portugal as a Trojan Horse in Africa.

Since recently Lisbon has been exerting ever greater diplomatic and economic effort on the continent, particularly in its former colonies. The latter are promised loans and economic assistance.

However, the mask of a sincere friend is worn with the aim to lull the vigilance of independent African nations. It has long been known that puppet counterrevolutionary organisations, such as Angolan UNITA and the so-called Mozambique National Resistance, have made themselves good nests on Portuguese soil.

They are conducting large-scale propaganda campaigns in Portugal designed to undermine the prestige of the legitimate governments of Angola and Mozambique. Nor do they make a secret of their plans to topple those governments. The bandits recruit mercenaries in Lisbon, openly keep money in Portuguese banks, and hold press conferences, describing acts of sabotage and subversion committed on the territory of some independent states with which Portugal maintains diplomatic relations.

When the leaders of five African Portuguese-speaking states (Angola, Mozambique, Guinea-Bissau, the Republic of Cape Verde, Sao Tome and Principe) met in session early this year, all of them expressed a desire to promote all-round relations with Portugal. But they also condemned some political and financial quarters in Portugal for their involvement in organising acts of sabotage and subversion against Angola and Mozambique. The leaders of the five states said that Lisbon's double-dealing was severely hindering attempts at stabilizing the situation in the south of Africa. Lisbon, July. (PRAVDA, July 5. In full.)

CSO: 1807/390

WESTERN EUROPE

BRIEFS

SOVIET-ITALIAN COOPERATION COMMISSION--Rome, 8 July (TASS)--The 14th Session of the Mixed Soviet-Italian Commission for Economic and Scientific-technical Cooperation opened here today. It will examine a broad circle of questions concerning the state and prospects of commercial, economic, and scientific-technical cooperation between the two countries. [Text] [Moscow TASS International Service in Russian 0911 GMT 9 Jul 85 LD]

NUCLEAR SAFETY CONSULTANTS WITH SPAIN--Moscow July 15 TASS--A delegation from Spain's Nuclear Safety Council, headed by the council president, Francisco Pascual Martinez, stayed in the Soviet Union from July 6 to 14. During consultations at the State Committee of the USSR on the use of atomic energy, the sides discussed the Soviet and Spanish competent bodies' attitude to nuclear safety measures at atomic power plants in both countries. The sides noted the usefulness of the talks and advisability of further cooperation. The Spanish delegation was received by Chairman of the State Committee of the USSR on the use of Atomic Energy Andranik Petrosyants, Chairman of the State Committee of the USSR on Control over Safety of Work in Atomic Power Engineering Yevgeniy Kulov and First Deputy Chairman of the Health Minister of the USSR Yevgeniy Vorobyev. During their stay, the Spanish delegation visited the Novovoronezh Atomic Power Plant named after the 50th anniversary of the USSR and the I.V. Kurchatov Atomic Energy Institute. [Text] [Moscow TASS in English 1602 GMT 15 Jul 85 LD]

DANISH CP AIDE IN AZERBAIJAN--One of the members of the Danish Communist Party leadership, (Villy Carlsen), has visited Azerbaijan SSR for a few days. The guest acquainted himself with sites of interest in Baku, visited the capital's museums, and traveled to Kuba Rayon. He was received by Ramiz Mekhtiyev, secretary of the Azerbaijan Communist Party Central Committee. [Text] [Baku International Service in Azeri 1200 GMT 8 Jul 85 GP]

NEW USSR-BRITAIN SOCIETY HEAD--Moscow, 10 Jul (TASS)--The board of the USSR-Britain society had a meeting here today. It discussed the results of activities conducted by the society in connection with the 40th anniversary of the Soviet people's victory in the great patriotic War of 1941-1945. Svyatoslav Fedorov was elected the new president of the society. He is the director of the research institute of eye microsurgery and a corresponding member of the Academy of Medical Sciences of the USSR. [Text] [Moscow TASS in English 1637 GMT 10 Jul 85 LD]

TASS-EFE AGREEMENT--Moscow, 10 Jul (TASS)--An agreement on cooperation in the field of information was signed here today between the news agency of the Soviet Union (TASS) and the Spanish news agency EFE. The agreement was signed by TASS Director General Sergey Losev and by Ricardo Utrilla, president and director general of EFE. [Text] [Moscow TASS in English 0915 GMT 10 Jul 85 LD]

CSO: 1807/381

EASTERN EUROPE

TEXT OF USSR-CSSR COOPERATION PROGRAM FOR 1985-2000

PM251410 Moscow EKONOMICHESKAYA GAZETA in Russian No 24, Jun 85 (signed to press 12 Jun 85) pp 13-14

["Program for Long-Term Economic, Scientific, and Technical Cooperation Between the USSR and the CSSR for the Period Through the Year 2000"-- EKONOMICHESKAYA GAZETA headline; capitalized passages within slantlines published in capitals; first three paragraphs are EKONOMICHESKAYA GAZETA introduction]

[Text] As already reported, the "Program for Long-Term Economic, Scientific, and Technical Cooperation Between the USSR and the CSSR for the Period Through the Year 2000" was signed in Moscow 31 May 1985.

The document was signed for the Soviet side by M.S. Gorbachev, general secretary of the CPSU Central Committee, and for the Czechoslovak side by G. Husak, general secretary of the CPCZ Central Committee and president of the CSSR.

The full text of the Soviet-Czechoslovak program is published below.

The USSR and the CSSR,

Guided by the policy of the CPSU and the CPCZ aimed at further strengthening friendship and deepening comradely mutual assistance on the basis of the principles of socialist internationalism and at stepping up political and economic cooperation with a view to the still greater rapprochement and interlinking of the two countries' national economies,

Implementing the provisions of the 6 May 1970 treaty of friendship, cooperation, and mutual assistance between the USSR and the CSSR,

Carrying out the decisions of the CEMA countries' economic summit conference to pool the socialist countries' resources and efforts with a view to fulfilling the strategic tasks of further economic development,

Relying on the economic, scientific, and technical potential created in the USSR and the CSSR, the accumulated experience of cooperation, and the level of socialist economic integration reached among the socialist community countries,

Proceeding from the objective need for the accelerated transfer of both countries' economies to an intensive path of development, the enhancement of social labor productivity and the technical standard and quality of output, and the lowering of the materials- and energy-intensiveness of production,

Being confident that mutual all-around cooperation and the deepening of the international division of labor serve the cause of reinforcing the socialist countries' unity and strengthening their defense capability and are an important factor in the struggle to strengthen peace and relax international tension,

Recognizing the need to take a new step in coordinating economic policy by means of jointly resolving major economic problems of determining significance for the elaboration of avenues of socioeconomic development and cooperation for the long term and the implementation of direct cooperation in the fields of science and technology and the spheres of material production and capital construction,

Being convinced that long-term economic, scientific, and technical cooperation accords with the Soviet and Czechoslovak people's fundamental interests, ensures the dynamic and balanced development of the national economy, helps to enhance production efficiency and to improve the structure of production, creates conditions for the steady growth of trade turnover and the fuller satisfaction of the needs of the USSR and CSSR domestic markets, and helps to raise the population's living standards and to strengthen technical and economic independence from capitalist countries,

Adopt the present program for long-term economic, scientific, and technical cooperation between the USSR and the CSSR for the period through the year 2000.

I. Cooperation in the Sphere of Science and Technology

Under present-day conditions the USSR and the CSSR attach paramount significance to the acceleration of scientific and technical progress in the leading sectors of the national economy and to the comprehensive introduction into production of the results achieved as a decisive factor in intensifying their economies and increasing social labor productivity.

The sides have agreed:

To continue implementing a coordinated--and in certain spheres a common--scientific and technical policy in the light of the scientific and technical potential existing in the countries and with a view to reducing the time taken to solve the most important scientific and technical problems, introducing the results achieved into production as fast as possible, and training scientific cadres;

To continue cooperation in creating the theoretical groundwork of scientific and technical progress and in conducting fundamental research under the

auspices of academies of sciences and higher education in both countries, and also applied research and experimental design studies, including cooperation at association and enterprise level;

To direct chief attention toward cooperation in realizing the state economic, scientific, and technical programs being implemented in the USSR and the CSSR, as well as the CEMA countries' comprehensive program of scientific and technical progress for 15-20 years;

To concentrate scientific and technical cooperation in those spheres of industrial production where there are real preconditions for expanding production sharing and specialization with a view to further increasing reciprocal deliveries, primarily in the machine building, electronics, and chemical industry sectors, but also in the agroindustrial complex sectors. The main avenues of scientific and technical cooperation will be work to develop and introduce the comprehensive automation of production processes and technological equipment, advanced technologies, highly productive machine tools, equipment, and production lines for the national economy's leading sectors, specialized equipment for the nuclear power industry, new technologies for the extraction and enrichment of coal and ores, new materials with specified high technological properties (including materials for specialized technologies), new technologies and technical equipment for the microelectronic industry, instruments for scientific research, radio and television equipment, and biotechnological processes for horticulture and livestock raising and also for the solution of ecological problems;

To devote more attention to the conduct of joint economic research and the elaboration of recommendations for scientific labor organization;

To develop and deepen cooperation in the spheres of public health, medicine, and the medical industry;

To take effective measures to enhance the efficiency of cooperation in the spheres of standardization, unification, and meteorology;

To further expand reciprocal exchanges of information on scientific and technical achievements, improve the system for its reciprocal transmission, and coordinate licensing policy;

With a view to enhancing the efficiency of scientific research and planning and design work, to develop specialization and production sharing in this sphere and to create joint collectives of specialists (design and planning bureaus, institutes, and associations) for the elaboration of individual scientific and technical problems and the conduct of other types of work;

To engage in scientific and technical cooperation primarily on a contractual basis.

II. Cooperation in the Material Production Sphere

The results of the development of mutually advantageous cooperation between the two countries create a reliable base for its expansion on the basis of the further deepening and improvement of the division of labor in the production sphere. The implementation of the long-term program for the development of specialization and production sharing between the USSR and the CSSR through 1990 will make a substantial contribution to the process of socialist economic integration.

Intensive economic development makes new demands regarding the interlinking and mutual complementarity of both countries' national economic complexes and gives rise to the need to improve the structure of production and enhance its efficiency. Along with the enhancement of the efficiency of established intersector exchange, the development of intrasector specialization and also the expansion of assembly and component production sharing in machine building must, above all, be the basis for the further deepening of cooperation. This will ensure an increase in the size of production series and the better adaptation of the structure of production to satisfying the needs of both countries.

The sides will direct their joint effort toward strengthening the material base of the national economy by widely introducing modern and highly efficient technological processes, machines, equipment, and materials, making rational use of production capacities, saving labor and material resources, enhancing output quality, and developing efficient production facilities for export.

At the same time, necessary preconditions will be created for the implementation of mutually advantageous economic ties with developed capitalist countries and developing countries.

1. Attaching great significance to the further development of cooperation in the sphere of /MACHINE BUILDING/, which will increasingly determine the dynamics of mutual economic ties, the sides will coordinate production programs with a view to making rational use of the existing scientific, technical, and production potential, will coordinate programs for the construction of new capacities, and, in individual cases, will jointly carry out the reconstruction and modernization of existing capacities.

In the sharing out of production programs, account will be taken of multi-lateral specialization and production sharing within the CEMA framework, of the specific nature of the production and technical base created in the CSSR, and of the need to narrow the list of products produced by Czechoslovak machine building. At the same time, the task is set of expanding the list of exports of USSR machine building products for the purpose of more fully satisfying the CSSR's import requirements.

First and foremost it is planned to expand cooperation in progressive sectors which ensure the increase of social labor productivity. The sides will concentrate their efforts on the development and production of automation means

making extensive use of electronics. The division of labor in the development and production of agreed types of output within the framework of the Soviet-Czechoslovak "robot" scientific and technical association will be deepened.

In order to raise the level of automation of production processes, it is planned to further develop cooperation in creating a new generation of computer equipment with a view to ensuring its extensive application in automated control systems for technological processes and in systems for automated planning and modeling.

Accord has been reached on the joint development and manufacture of components for a unified standardized base of electronic products and microprocessor technology, and also on the creation of specialized technical equipment for the production of such components and on the accelerated development of communications means, including optical electronic equipment and radio industry products. The further development of cooperation will be directed toward enhancing the quality and creating new domestic products of the electronic industry (including television sets with digital signal processing, audiovisual instruments, video tape recorders, and compact discs).

The creation and production of individual types of highly automated metal-working machine tools and forging and pressing equipment with digital program control to make complete flexible production systems and automated lines and of automated equipment for the light and textile industries, in whose production extensive use will be made of standardized modules, will be accelerated by means of the pooling of efforts.

An important place in both countries' production programs will continue to be occupied by the manufacture of equipment for nuclear power generation, and cooperation in this sphere must be directed primarily toward the elaboration and assimilation--on the basis of specialization and production sharing--of individual type of technological equipment for nuclear power stations, nuclear thermal stations, and heat and electric power stations, the efficient use of production capacities, the extension of the lifetime of the equipment produced, and the creation of better fuel elements.

The joint development and organization of specialized and shared production of a new generation of highly efficient electric motors, transformers, equipment for welding and heat treatment, and other equipment with high technical specifications will be carried out in the sphere of the electrical equipment industry.

It is planned to expand cooperation in the automotive industry. There will be joint development of certain new types of motor vehicles and their production will be shared. The CSSR will continue its specialization in the production of "Tatra" all-terrain trucks, small- and medium-capacity trucks, refrigerated trucks, powerful diesel motors for quarry dump trucks, ships, and locomotives, highway and sports motorcycles, and components and parts for Vaz and Kamaz motor vehicles, while the USSR will continue its specialization in the production of quarry dump trucks, automobiles, and a number of specialized motor vehicles.

The sides will pool their efforts for the purpose of accelerating the development and production of a standardized series of diesel motors, which will ensure the necessary preconditions for their extensive use in the national economy.

It is planned to develop jointly a new generation of tractors and agricultural machinery systems making extensive use of hydraulics and electronics and meeting the long-term requirements of the national economy, and also machinery suitable for cultivation of steep slopes and facilities for small-scale mechanization of agricultural work. The specialized production of tractors for the timber industry--wheeled tractors in the CSSR and Caterpillar tractors in the USSR--will be expanded.

The fuller satisfaction of the needs of both countries' national economies for bulldozers, industrial tractors, and other heavy mechanization equipment for construction and road work must be ensured by expanding specialization and production sharing, and the joint development and production of progressive types of machines for the construction industry, primarily for finishing work, must be accelerated.

In the production of machinery and equipment for the light and food industries, specialization and production sharing must be directed toward the development and production of progressive and fully automated lines, work sections, and individual types of machine tools. Cooperation will also continue in the modernization and reconstruction of light and food industry enterprises.

It is planned to assimilate on the basis of the results of joint development the production of instruments and automation means for scientific research, electron microscopy instruments, and a standardized series of liquid chromatographs and spectrometers based on nuclear magnetic resonance, and also to develop cooperation in the creation of stationary x-ray diagnostic units and other medical apparatus.

Using the proven method of division of labor, and in the light of both countries' requirements:

The CSSR will ensure the production of individual types of electric locomotives, street cars, and trolley buses with high economy and reliability indicators, technical and freight river ships, hydraulic and refrigeration equipment, highly productive pumping stations and irrigation systems, aircraft and airfield equipment, automated rolling mills, fertilizer production equipment, small-scale and specialized chemical industry production, high-purity chemical materials, complete sets of equipment for the food industry, technological equipment for biotechnological processes, and equipment for environmental protection purposes;

The USSR will plan to continue delivering to the CSSR modern aviation equipment, individual types of mining and pit equipment, machines and equipment for building and operating subways, machinery for the repairs of railroad tracks, and some other types of traditionally supplied machines and equipment.

Special attention will be given to guaranteeing full and prompt supplies of spare parts for reciprocally delivered machines and equipment and their technical servicing.

2. Cooperation /IN THE CHEMICAL INDUSTRY/ will be directed primarily toward the development of new technological processes, the creation of new capacities, and the reconstruction of existing capacities for the purpose of increasing the chemical industry's output and expanding its range on the basis of specialization and production sharing.

The sides will coordinate capital investments in the creation of economically effective chemical industry production units in the light of mutual requirements and of natural, economic, and other conditions existing in the countries, and in this connection will expand specialization in scientific research and planning and design work and will also jointly develop measures securing the more comprehensive processing of raw materials, the introduction of waste-free technologies, and a substantial increase in the utilization of secondary raw materials.

There will be an expansion of the division of labor, which has proven its worth in practice and on the basis of which the USSR delivers to the CSSR large-volume and energy-intensive chemical products and basic raw materials (ammonia, methanol and other synthetic spirits, rubber and other petrochemical products), in exchange for deliveries by the CSSR to the USSR of less energy-intensive specialized chemical products (chemical additives for the resin, textile, and other sectors of industry, chemical reagents and other diagnostic materials, compounds for the prevention and treatment of disease and for regulating animal reproduction, medicines, plant and varnish, and synthetic aromatic substances).

In the light of preconditions existing in the countries, specialization will be deepened in carrying out scientific research work and producing individual types of herbicides, insecticides, dyes, photochemical products, catalysts, chemical fibers, specialized structural plastics, super-pure chemicals for microelectronics, and other types of chemical products in short supply with a view to more fully satisfying both countries' needs for them and reducing purchases from capitalist countries.

In accordance with the agreement that has been reached, a complex for the production of individual types of chemical additives for the resin industry will be created in the CSSR, and its output will substantially improve the meeting of the requirements of both countries' national economies for these products.

The sides will examine the possibility of cooperating in the organization of production of alpha-olefins [alfaolefin], butadiene, polymethacrylate oil additives, and other petrochemical products in the CSSR for delivery to the USSR in exchange for natural gas.

Cooperation in the paper and pulp industry will be directed primarily toward the reconstruction of existing capacities and the deepening of production specialization with a view to expanding the range of goods exchanged.

3. Cooperation in /MEETING THE NATIONAL ECONOMY'S NEEDS FOR FUEL, ELECTRICITY, AND RAW MATERIALS/ will continue to occupy a paramount position in economic relations between the USSR and the CSSR.

The enhancement of the efficiency with which existing fuel raw material resources are utilized in both countries must become an important direction of economic, scientific, and technical cooperation in this sphere. To this end, joint measures will be implemented to develop and create machinery and equipment ensuring the economical consumption of all types of energy and raw and other materials, and primarily to improve designs of machines and technological equipment for the production of thermal and electric energy and the extraction of coal under complex conditions, to make rational use of solid, liquid, and gas fuels, and also to utilize waste heat in national economic sectors. This will also be helped by the direct exchange of experience between consumers of energy and raw materials in both countries.

To ensure a further increase in energy resources, cooperation will continue in the extraction and transportation of natural gas and the construction and operation of nuclear power stations.

With a view to creating the necessary conditions for the continuation of deliveries of the basic types of fuel and raw materials from the USSR, the CSSR will participate in the development of corresponding production facilities on USSR territory by carrying out construction and installation work and supplying technically sophisticated machines and equipment, materials, and consumer goods.

The CSSR, together with other European CEMA countries, will participate in the development of the Yamburg natural gas field, the construction of the "Progress" gas pipeline (from Yamburg to the USSR's western border), and in the creation of a new gas complex on USSR territory.

In the sphere of nuclear power generation, cooperation will be conducted both on the basis of existing and newly concluded agreements between the USSR and the CSSR, and also within the framework of corresponding multilateral agreements among the CEMA countries. It will be directed toward the continued construction of nuclear power stations, including power stations with 1-gigawatt reactors, and also the creation of capacities for the generation of heat and for its transmission over long distances.

At the same time, cooperation will develop in the processing of coal into higher quality types of fuel, the utilization of nontraditional energy types, and the enhancement of the efficiency of natural gas transportation and storage.

4. In the sphere of /FERROUS METALLURGY/ joint measures will be implemented:

To intensify production by means of the joint development and introduction of new technologies at all stages of the production process, and primarily the production of metallurgical coke;

To make extensive use of installations for the continuous casting and out-of-furnace processing of steel, oxygen converters, efficient processes for the production of alloyed steels, and plasma furnaces;

To expand the production of precision and economical sections and pipes;

To develop powder metallurgy.

Measures will be taken to more fully satisfy the needs of both countries' national economies for metallurgical products by increasing the share of progressive and economical types of rolled ferrous metals, deepening production specialization, and on this basis expanding the graded [sortamentnyy] exchange of metal products.

With a view to satisfying the CSSR's requirements for ferruginous raw material, the sides will cooperate in maintaining and developing the raw material base of ferrous metallurgy in the USSR, including the construction of the Krivoy Rog ore enriching combine for oxidized ores.

5. In the sphere of /NONFERROUS METALLURGY/ it is envisaged to implement joint measures:

To create and introduce new technological processes (continuous casting, molding, heat treatment, plasma metallurgy, and progressive methods of ore enrichment and nonferrous metal processing);

To expand the production of new types of output (caked carbides, foil, precision types of rolled nonferrous metals, and other products), chemically pure metals, semiconductors, and other new materials for the electronic and electrical engineering industries;

To extract more widely rare-earth metals and to process oxidized ores;

To enhance the efficiency with which secondary resources of nonferrous metals are utilized.

The CSSR will participate in the development of the production of certain nonferrous metals in the USSR. Measures will be coordinated to provide assistance in developing the extraction of nonferrous metals in other CEMA countries with a view to increasing purchases of them.

6. With a view to more fully satisfying the needs of both countries' populations for high-quality industrial /CONSUMER GOODS/, cooperation in this sphere will be directed:

Toward modernizing the production base, introducing modern technological processes, and guaranteeing the necessary raw and other materials;

Toward improving the structure and range of products produced, enhancing their technical and aesthetic standards, and increasing deliveries of fashionable products from the CSSR;

Toward deepening specialization and expanding production sharing in the sectors producing consumer durables;

In the timber processing and furniture industry, as well as solving the aforementioned questions, cooperation must provide the basis for ensuring the systematic renewal of the output produced, the introduction of new finishing materials, and the expanded production of standardized structures and accessories.

Various forms of cooperation will be used for the development of consumer goods exchange, including the exchange of ranges of goods under the auspices of domestic trade, consumer cooperatives, and department stores, and the expansion of the network of specialized stores in both countries.

7. It is planned to substantially deepen cooperation in the sectors of the /AGROINDUSTRIAL COMPLEX/. To this end, and on the basis of the pooling of both countries' scientific potentials, the following will be implemented:

Exchange of progressive technologies in horticulture and livestock raising;

Cooperation in the selection of high-yield strains of agricultural crops (wheat, brewery barley, hops, and other crops) and of new breeds and hybrids of livestock and poultry, and also in seed growing and the production of planting stock;

Expansion of the production of amino acids, assimilation of the production of beta-lactam antibiotics, selection of producers of biologically active elements by means of genetic engineering methods, application of enzyme compounds, and creation of monitoring and measuring instruments for controlling microbiological processes;

Accelerated creation of technologies and equipment for the comprehensive mechanization and automation of dairy plants and development of progressive methods for the storage of grain crops, potatoes, vegetables, and fruit and for the preparation of feeds;

Measures aimed at reducing the negative effect of the consequences of agricultural production on the environment.

The following tasks are to be solved by expanding specialization and production sharing:

Creation and production of modern and highly productive machinery systems for the sowing, harvesting, and highly efficient post-harvest processing of agricultural output, and also for livestock raising, feed production, the food industry, and public catering;

Development of the production base and modernization and reconstruction of enterprises in the food sectors of industry, creation and introduction of new technological lines for waste-free production, and expansion of the range and improvement of the quality of food products;

Increase in the reciprocal deliveries of individual types of machines and equipment for agriculture and the food industry, mineral fertilizers, chemical plant protection agents, veterinary compounds, and certain types of food and other products;

Production of progressive packaging materials.

Measures will be coordinated to satisfy reciprocal requirements for some types of industrial crops.

8. In the sphere of /TRANSPORTATION/ the sides will continue the implementation of measures to improve the constantly increasing freight shipments between the two countries, implementing for this purpose:

Rational distribution of foreign trade freight among different types of transport and improvement of the organization of shipments;

Development of the material and technical base of the USSR and CSSR transportation systems to guarantee reciprocal trade freight shipments and international shipments, including transit shipments;

Development of the capacities of railroad border crossing points and ports on the Danube River, reconstruction of the Soviet and Czechoslovak border railroads and increase of their traffic capacities, optimum use of automotive transport, and improvement of the motor vehicle pool;

Increase of foreign trade freight shipments in large-capacity containers, bales, and pallets;

Development and introduction of new technologies to improve freight shipments by all types of transport, and also utilization of automated control systems for transportation processes.

Cooperation will continue in the development of a complex automated communications system for the transmission of all types of information, Intersputnik system projects, and advanced television, radio broadcasting, and telephone communication systems.

There will also be further development of cooperation /IN OTHER SPHERES/ of mutual interest.

III. Improvement of the Cooperation Machinery

The sides consider it necessary to constantly develop and improve the machinery of bilateral cooperation and to strive to enhance its effectiveness as an important factor in closing the gap between the structures of the two countries' economic mechanisms, especially in the spheres which are directly linked with reciprocal cooperation.

In accordance with the decisions of the CEMA countries' economic summit conference, the sides have agreed to make fuller use of the means at their disposal to deepen socialist economic integration. The following will be implemented with this in view:

Coordination of economic, scientific, and technical policy in the spheres linked with reciprocal cooperation;

Coordination of plans for 5-year periods, and for longer periods on individual questions;

Coordination of capital investment plans in spheres of mutual interest;

Closer direct cooperation between both countries' planning and economic organs in the spheres of science, technology, and production;

Development of direct ties between ministries, enterprises, and organizations in both countries, creation of joint scientific research, production, and sales associations and enterprises. With a view to creating the necessary conditions for their activity, the relevant questions, primarily legal, financial, and price formation questions, will be resolved;

Improvement of the contractual basis of cooperation, particularly the system of long-term contracts and agreements, and strengthening of discipline in their fulfillment;

Active participation by the USSR and the CSSR in the implementation of coordinated plans for integration measures and multilateral agreements between CEMA countries.

The development of foreign economic ties between the USSR and the CSSR will continue to take place on a mutually advantageous and balanced basis. For this purpose, the sides will determine the most efficient directions, forms, and conditions of cooperation.

The tasks stemming from the present program, and also from the existing long-term program for the development of specialization and production sharing between the USSR and the CSSR through 1990, will be incorporated in a coordinated plan of measures for the implementation of the program, which can be further detailed and supplemented by mutual agreement between the sides.

The organization of work to implement the program will be carried out by the Soviet-Czechoslovak Intergovernmental Commission for Economic, Scientific, and Technical Cooperation, which, jointly with the two countries' planning, scientific, and technical organs, will promote, where necessary, the elaboration of new proposals on questions of the further development of economic, scientific, and technical cooperation between the USSR and the CSSR.

The present program enters into force on the day it is signed and will remain in force through 31 December 2000.

Done in Moscow on 31 May 1985, in two copies, each in the Russian and Czech languages, both texts being equally authentic.

CSO: 1807/376

EASTERN EUROPE

POLISH CENTRAL COMMITTEE CITED ON DISCIPLINE, IDEOLOGICAL WORK

PM210913 Moscow PRAVDA in Russian 18 Jun 85 First Edition p 5

[TASS report: "Decision of the PZPR Central Committee Plenum"]

[Text] Warsaw, 17 Jun--In the period of preparation for the next, 10th PZPR Congress, which is planned for the first half of 1986, the PZPR Central Committee is focusing its efforts on improving the effectiveness of the party's political and organizational activity and on reinforcing its Marxist-Leninist character. That is pointed out in a decision adopted at a recent PZPR Central Plenum published in today's Polish newspapers.

The decision indicates the need to further activate the party organizations' role in all spheres of activity. The experience of the CPSU and the fraternal parties of the other socialist community countries should be disseminated and used as extensively as possible in party work.

The decision says that high quality must be demanded when people are being recruited into the party and only ideologically sound people, labor pace-setters, and active members of society, above all workers, peasants, and young people should be enlisted into the PZPR. The ideological and political unity of party ranks should be consolidated and the PZPR should be consistently purged of people who are ideologically hostile; do not observe party rules, and violate moral norms.

Noting the importance of enhancing the party's role in the national economy, the decision says, the PZPR Central Committee resolved to focus its efforts on utilizing all production reserves, improving labor discipline and organization, increasing the effectiveness of economic management, and bringing scientific and technical achievements into operation.

CSO: 1807/382

EASTERN EUROPE

FOREIGN TRADE OFFICIAL ON COOPERATION WITH YUGOSLAVIA

LD111834 Moscow in Serbo-Croatian to Yugoslavia 1900 GMT 6 Jul 85

[Excerpts] At the Soviet-Yugoslav talks in Moscow great attention was paid to questions of the further promotion of economic and scientific-technical ties between our two countries and possibilities were examined for a more active utilization of their most promising forms. In the course of this a positive assessment was made the results achieved in Soviet-Yugoslav economic cooperation which is developing on a mutually beneficial long-term basis. In our program today [word indistinct] Gennadiy Zhuravlev, USSR first deputy minister of foreign trade and vice-chairman of the Soviet part of the Soviet-Yugoslav Intergovernmental Committee for Economic and Scientific-Technical Cooperation. He is at the microphone.

[Begin Zhuravlev recording in Russian with superimposed Serbo-Croatian translation] Gennadiy Zhuravlev says that the official friendly visit paid by Milka Planinc, president of the Federal Executive Council of the SFRY, to the Soviet Union and the meetings and talks between the two countries' leaders will give a fresh impetus to the development of fruitful, mutually beneficial and [word indistinct] trade and economic cooperation in the next 5-year period.

As is well known, Gennadiy Zhuravlev goes on, the Soviet Union has for a long time now been Yugoslavia's leading foreign trade partner. Among other things, at the recent 23rd session of the Soviet-Yugoslav Intergovernmental Committee for Economic and Scientific-Technical Cooperation, which was held in Belgrade in mid-June, it was established that in 1985 the value of the exchange of goods between the Soviet Union and Yugoslavia would exceed \$7 billion, which would make it possible not only to reach but also surpass the targets envisaged in the long-term agreement for the period from 1981 to 1985.

The mutual exchange of goods is important for the development of the two countries' economies and for meeting demand on their internal markets, Gennadiy Zhuravlev went on. The Soviet Union exports to Yugoslavia machine tools, equipment for power generation and mining, excavators, trolleys, electric trains, tractors, freight-carrying and passenger vehicles, and so forth. Soviet watches, cameras and other consumption goods are in demand in Yugoslavia. The Soviet Union accounts for a considerable part of Yugoslav exports of oil derivatives, natural gas, iron ore, coking coal, synthetic

rubber, cotton. From year to year we have raised the quantity of various machined equipment imported from Yugoslavia. This also included ships, machinery, communications equipment, equipment for the light and food industries, steel and iron rods used in ferroconcrete, cables, furniture, knitted goods, footwear and so forth.

It is well known that various forms of production cooperation between the two countries' firms play an important role in the development of commercial and economic ties between the Soviet Union and Yugoslavia.

In the course of the committee's work the participants in the session laid stress on the need to continue to develop production cooperation and specialization as a prerequisite for [word indistinct] introducing the latest scientific and technical achievements. A significant role in the expansion of economic ties is played by cooperation in the field of machinery building and the agro-industrial complex. All the necessary prerequisites for this exist. We hope that Milka Planinc's visit to our country will contribute to the further deepening of cooperation in all the fields, including the commercial and economic ones.

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EASTERN EUROPE

YUGOSLAV OFFICIAL CITED ON SITUATION IN KOSOVO

PM261025 Moscow SOVETSKAYA ROSSIYA in Russian 21 Jun 85 First Edition p 5

[TASS report: "Statement by D. Culafic"]

[Text] Belgrade, 20 Jun--As TANJUG reports, D. Culafic, federal secretary for internal affairs, speaking in the Yugoslav Federal Assembly, pointed out the recent increase in the activity of hostile elements inside the country and of subversive emigre groups which have established themselves in a number of Western countries.

Endeavoring to take advantage of the deterioration in the international situation and the economic difficulties which Yugoslavia is encountering, he said, anti-Yugoslav and antisocialist forces are stepping up their hostile activity.

According to D. Culafic, nationalist trends are especially dangerous. Nationalists, including some priests, are doing their utmost to inflame enmity between ethnic groups and to undermine the unity of the Yugoslav peoples. Because of nationalist actions the situation remains complex in the Kosovo autonomous region where most of the people are ethnic Albanians. In the past 18 months 16 illegal nationalist organizations have been uncovered, operating in that region.

Anti-Yugoslav emigre groupings continue to send saboteurs to Yugoslavia to organize terrorist acts. The federal secretary reported that during last year security service personnel discovered and confiscated over 100 kg of explosives and a large quantity of explosive devices.

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LATIN AMERICA AND CARIBBEAN

TRADE WITH LATIN AMERICA: ACHIEVEMENTS, PROBLEMS, PROSPECTS

Moscow LATINSKAYA AMERIKA in Russian No 4, Apr 85, pp 7-19

[Article by N. V. Zinov'yev and L. L. Klochkovskiy: "Toward New Milestones in Reciprocal Trade; words in all caps printed in boldface in original for emphasis/*

[Text] The beginning of the 1980's was marked by an exacerbation of the economic difficulties of the Latin American countries. During the years 1981-1983 the GNP [gross national product] per capita was reduced by 10 percent on the average for this region.¹ This crisis engulfed practically all sectors of the economy—industry, construction, agriculture, trade, and the finance-credit sphere. Additional difficulties were caused by the tightening up of the protectionist policy in the developed capitalist countries, which hampered the opportunities for expanding the marketing of ready-made items and semi-finished goods with regard to the most dynamic articles of Latin American exports.²

In the situation which has been created it becomes more and more important for the Latin American countries to work out a new development strategy, aimed at weakening the dependence on the centers of world capitalism, as well as at a step-by-step promulgation of the ripened socio-economic changes. One of the key elements of this strategy will, undoubtedly, become a trend toward diversifying foreign economic ties.

Strengthening the economic ties between the socialist and the developing countries has been marked by the emergence of a new type of economic relations; these are characterized by a reciprocally profitable trade exchange, along with the transmission of scientific, technical, and industrial experience. At this level a large role is played by the strengthening of Soviet-Latin-American trade relations.

Basic Directions of Soviet-Latin-American Trade

The Soviet Union accords great importance to expanding trade-and-economic cooperation with the developing countries of Asia, Africa, and Latin America; it consistently supports their efforts with regard to strengthening their own scientific, technical, and production potential. "Life requires the fruitful cooperation of

* This article does not examine trade between the USSR and Cuba.

all states in the name of solving peaceful, constructive tasks confronting every nation and all mankind," it was noted in the documents of the 26th CPSU Congress.³

The goods turnover between the USSR and the developing countries of Latin America reached 2.2 billion rubles in 1983, which was 5.2 percent more than it had been in the previous year.⁴ In 1984 this indicator amounted to 1.9 billion rubles (See Table 1).

Table 1

Trade between the USSR and the Developing Countries of Latin America during the Years 1974-1984 (in Millions of Rubles)⁵

	1971	1975	1981	1982	1983	1984
Turnover	118	864	3132	2096	2205	1933
Exports	13	145	104	287	198	311
Imports	105	719	3028	1809	2007	1622

Soviet imports account for approximately 90 percent of the goods turnover. During the last 3 years the total excess of Latin American exports over Soviet exports amounted to more than 6 billion rubles. Obviously, this circumstance has had a positive influence on the economy of the Latin American countries, particularly under the conditions of the continuing crisis. Nevertheless, the existing imbalance constitutes a serious obstacle on the path of further developing mutually profitable trade.

At the present time efforts are being undertaken to expand Soviet exports and to diversify the commodity products list. Many items from the USSR have already become traditional, i.e., they have remained in the commercial flow over a period of many years. This testifies to the qualitative changes in trade and to the creation of the necessary prerequisites for its stable growth. It is important to note that the proportion of goods of production designation within the structure of Soviet exports is constantly increasing.

The Soviet Union exports to Latin America primarily power-engineering, mining, oil-drilling, forging-and-pressing, and other equipment, metal-cutting machine tools, tractors, excavators, compressors, passenger automobiles, trucks, etc. In certain years these items account for 60-70 percent of the aggregate Soviet export to the countries of the region in question. These deliveries include more than 15,000 motor vehicles, over 8,000 tractors, and an excess of 3,000 metal-cutting machine tools. By the present time turbines and generators have been sold for 6 electric-power stations with a total capacity of 5.4 million kW, construction has been completed on a plant for enriching tin ores, a plant fitted out with Soviet equipment (Bolivia), a trolley-bus network has been created in Bogota which utilizes Soviet trolley-buses. They are also being successfully used in the Argentine city of Rosario. In another city of this country—Mendoza—analogue Soviet motor vehicles will soon be used to take upon themselves a portion of the passenger hauls.

The principal purchasers of items from the USSR are state organizations, and this is to be explained, in considerable measure, by the nature of Soviet deliveries (the buying up of machines and equipment in accordance with the laws of most Latin American countries is a prerogative of the state). During recent years, however, as the products list of export items has expanded, there has been a growth in the number of private firms which purchase passenger automobiles, tractors, bearings, and chemical items in our country.

The Soviet foreign-trade organizations have applied efforts to organize the necessary technical servicing of the machines and equipment being exported. Equipment deliveries provide assurances for the purchaser with regard to the appropriate spare parts, measuring devices, tools, etc. In order to render methodological and effective practical assistance, as well as to instruct the local service workers, highly skilled specialists are being sent abroad on business trips.

With regard to imports, the principal partners of the USSR are the private Latin American firms which control the overwhelming portion of the national exports. The Soviet Union purchases the following items in the countries of this region: coffee, wheat, corn, soybeans, bananas, meat, vegetable oil, cocoa beans, cocoa butter, cocoa liqueur, sisal hemp, wool, along with non-ferrous metals and their concentrates. With regard to certain of the above-listed items (grain, vegetable oils, bananas, wool, etc.) Latin America's proportion in Soviet imports is extremely significant.

In recent years the proportion of finished items and semi-finished goods within the structure of Latin American exports has gradually increased, while their assortment has been expanded. In this group we should single out clothing, processed and semiprocessed leather, footwear, and medicines. Their quantity is still not great, a fact which is to be explained, for the most part, by the insufficient competition among the Latin American exporters.

With the development of trade ties between the USSR and Latin America there has been an improvement in their legal-agreement foundation. With certain countries of this region the Soviet Union has concluded agreements concerning economic-trade and scientific and technical cooperation which in their scope go beyond the framework of traditional trade. The indicated agreements encompass many sectors of industry, agriculture, science, and technology, providing for the joint working out of technical-economic grounds, plans, engineering processes, technical specifications, the transmitting of technology, exchange of technical, instruction of technicians and specialists, etc.

Monitoring controls over the practical implementation of the agreements has been entrusted to joint inter-governmental commissions (by the present time 8 bi-lateral commissions have been created: between the USSR on the one hand and respectively with Argentina, Bolivia, Brazil, Columbia, Peru, Mexico, Ecuador, and Uruguay). Their tasks include, moreover, monitoring the development of reciprocal business ties, discussion of questions of the status and prospects for reciprocal trade, its financing, improving the conditions for commercial activity, carrying out large-scale plans, exchanging information, etc.

The Soviet foreign-trade organizations are striving to put trade with the Latin American states on the rails of long-term agreements and contracts, to make broader use of the practice of operations in coordination. Long-term agreements ensure sales for the market and sources for obtaining goods for the future; in other words, they create a firm base for business cooperation.

By the present time a number of long-term agreements have been concluded: with Argentina—for the purchase of grain, soybeans, and meat; with Brazil, Columbia, Mexico, and Bolivia—concerning reciprocal deliveries of goods; with Jamaica—for purchases of bauxite and... delivery of Soviet equipment; with Nicaragua—for purchases of coffee, sugar, and cotton; long term contracts include those with Peru regarding purchases of non-ferrous metals.

With regard to operations in coordination, they additionally stimulate trade exchange. Desiring to propose their own item in exchange for that of the party involved, each side actively seeks out opportunities for concluding suitable deals. In such a way conditions are also being created for moving new items onto the foreign market. As examples one could cite the delivery of Soviet motor vehicles to Ecuador in coordination with purchases in this country of bananas, reciprocal deliveries of trolley-buses (to the Argentine province of Mendoza) and wine (to the USSR), tractors (to Uruguay) and butter (to the USSR), trolley-buses and motor vehicles (to Columbia) and coffee (to the USSR). Along with the traditional forms of trade exchange, more improved ones, answering the demands of the present day, are being introduced more and more extensively. Thus, for example, Mexico is receiving from the USSR tractors in dismantled form. In their assembly they are outfitted with certain units and parts of Mexican manufacture. Negotiations are being conducted with Argentine firms concerning deliveries on a cooperative basis of power-engineering equipment for the Piedra del Aguila GES, as well as concerning the organization in the localities of the assembly of Soviet motor vehicles and tractors. Under discussion with representatives of Brazilian business circles is the question of outfitting the delivered tractors with farm implements of Brazilian manufacture and supplying these machines to the markets of third countries.

Likewise being developed is such a form of cooperation as trade by means of licenses. For example, Soviet licenses have been sold to Brazil for making alcohol out of wood and producing ball mills; technology and equipment have also been supplied for the dry-slaking of coke.

Every year more and more Latin Americans are coming to the Soviet Union in order to conduct negotiations on the sale and purchase of items, the solving of problems connected with carrying out contracts which have already been concluded, as well as to acquaint themselves with Soviet export possibilities. This region's business world has become convinced of the presence of a stable foundation for trade: certain Latin American firms have already opened their own representative offices in Moscow. There is no doubt that this positive process will develop further.

On the other hand, Latin America likewise is no longer such an exotic, unknown continent for the Soviet foreign-trade organizations. Vitally interested in developing mutually profitable trade, they are more and more often sending to the countries of this region their own representatives in order to conduct commercial negotiations, specialist-technicians to render assistance to local firms and organizations in setting up technical services for Soviet equipment which is being purchased. At the present time Soviet specialists are working in various countries of Latin America, helping to build electric-power stations, plants for producing tin and other projects, as well as instructing the local personnel and imparting to them the habits of working on Soviet equipment.

An important role in the matter of expanding trade ties is played by the placing of advertisements and the organizing of exhibits. At the present time preparations

are underway for opening a demonstration hall for Soviet machines and equipment in Buenos Aires, while exhibits of export items are being conducted in Brazil and Mexico. Brazil and Colombia are conducting exhibits of their own goods in Moscow. The foreign-trade associations of the USSR have taken part in the regular Pacific Fair in Peru. The Soviet Union has been visited by delegations from the Chambers of Commerce of Venezuela, Mexico, Argentina, and Peru. Along the lines of UNCTAD special seminars are held: in Moscow for the trade advisers of the Latin American countries, and in the capitals of certain Latin American states—on questions of economic cooperation between the socialist countries and the Latin American countries.

Principal Trading Partners

The Soviet Union's biggest trading partner in this region is ARGENTINA. The goods turnover between these two countries in 1983 amounted to 1326 million rubles, while in 1984 it was 1130 million rubles. The government of the Radical Civic Union (UCR), which came to power in December 1983, proclaimed its readiness to develop relations with all countries. It was noted, in particular, that the development of trade-and-economic ties with the USSR and the other socialist states answers Argentina's national interests.

The volume of trade is determined primarily by the level of Soviet imports. Exports account for only about 2 percent within the goods turnover. Its basis (more than 90 percent) consists of machines and equipment. Along with Nicaragua, Argentina is the chief purchaser of Soviet equipment in Latin America (except for Cuba). Since the signing of the agreement on deliveries of machines and equipment from the USSR to Argentina (1974) the volume of deliveries has amounted to approximately 165 million rubles, including the following breakdown: power-engineering equipment—99, oil-drilling—27, hoisting-and-transport—13, trucks—11 million rubles. Moreover, the following were delivered: mining equipment, metal-cutting machine tools, special rolling mills, instruments, bearings, electric pumps, and other equipment. In 1983 a group of Argentine firms and the Energomasheksport V/O /All-Union Association/ created a consortium for participating in the construction of the Piedra del Aguila GES (with a rated capacity of 1.6 million kW). Two of the four units will be made by Argentine companies with the technical assistance and cooperation of Soviet enterprises.

Recently the USSR's foreign-trade associations have activated direct contacts with the Argentine provinces. In 1984 a reciprocally coordinated deal was made for the first time for the delivery of 17 Soviet trolley-buses to the province of Mendoza in exchange for delivery to the USSR of 15 million liters of wine.

In addition to machines and equipment, one of the important articles of export to Argentina is sodium bichromate. In 1983 the volume of deliveries reached 3,500 tons. The export of other chemical items, albeit in modest-sized quantities has been begun.

Imports from Argentina consist primarily of agricultural products and food-stuffs. The USSR purchases the following items in significant amounts: grain (in 1983 some 9.7 million tons of grain was delivered from Argentina, including: wheat—4.7 million tons, corn—2.0 million tons, sorghum—2.0 million tons), meat, wool, the semi-finished leather product known as "krast," finished leather, tanning extract, and vegetable oils. In 1983 the USSR's share in Argentine exports of grain

amounted to 41 percent, meat—21 percent, vegetable oils—21 percent, wool—21 percent, and leather goods—11 percent.

At the 8th Session of the Joint Commission on Trade-and-Economic and Scientific-and Technical Cooperation, which was held in October-November 1984 in Buenos Aires, the Argentine side expressed a striving to reinforce its own position as one of the principal exporters of feed grain and wheat to the USSR, and it affirmed its readiness to expand the purchase of Soviet goods, primarily, equipment. At this session agreement was reached to the effect that mutually profitable cooperation in the field of grain trade would be continued.

At the same time it was decided to extend the valid time period of the contracts within the framework of the agreement regarding the deliveries of Soviet machines and equipment to 1988. There took place an exchange of lists of items in the deliveries of which the two sides were interested. The session examined the possibilities for making reciprocally coordinated deals for the delivery of Soviet machines and equipment and the purchase of Argentine items, including industrial goods produced in the countries provinces. An agreement on reciprocal credits was signed between the USSR's Foreign Trade Bank and Argentina's Central Bank.

BRAZIL ranks second behind Argentina among the USSR's trading partners in Latin America. In 1983 goods turnover with this country amounted to 697 million rubles, of which Soviet imports came to 591 million rubles. In 1984 the volume of reciprocal trade was equal to 468 million rubles. The USSR supplies Brazil with machine tools, bearings, fertilizers, cultural-everyday types of goods, and periodically—petroleum (in 1983 petroleum exports reached 98 million rubles).

The foundation of Soviet imports consists of agricultural goods and raw materials. Purchases include cocoa beans and ground cocoa, vegetable oils, medicines, sisal hemp, ferronobium, and periodically—ground coffee. In 1982-1983 the Prodimtorg V/O and the Brazilian Institute of Sugar and Alcohol for the first time signed direct contracts for the delivery of 750,000 tons of sugar to the USSR. It is not surprising that this deal caused a stormy reaction on the part of the international monopolies which dominate the sugar market: the development of direct, bilateral trade deprives them of the opportunity to dictate their own conditions and to extract profits from middle-men. In 1984 the Soviet Union directly purchased in Brazil another 445,000 tons of raw sugar and 100,000 tons of granulated sugar. Also being purchased are soybeans and soy oil-cake. The following items are periodically imported in modest quantities: leather footwear, fabrics, articles made of leather, yarn (in 1983 imports of these goods reached 2.0 million rubles).

Recently a number of new items have appeared in Brazilian exports: thin sheet metal, polyethylene bags and film, pump rods and steel pipes. In 1984 the Soviet Union purchased for the first time a one-time batch of manganese ore.

It should be emphasized that Soviet imports from Brazil considerably exceed exports. At the session of the working group engaged in preparing for the 10th Session of the Joint Commission, held in October 1984 in Brazil, both sides, having noted as a positive fact the growth of goods turnover between the two countries, at the same time stated that the attained level did not yet correspond to the economic potentials of the partners. In this connection, they pointed out the important role played by trade in licenses, industrial cooperation, and the conduct of reciprocally coordinated export-import operations. Operating at the present

time in Brazil on the basis of Soviet licenses are a plant engaged in producing alcohol (in the city of Uberlandia) and a set of units for the dry-slaking of coke at the metallurgical combine in the city of Tubarao. There have been delays, however, in putting into force the agreement with regard to the horizontal set-up for the continuous pouring of steel, as concluded between the Litsensiptorg V/O and the Brazilian firm named "Usimek"; nor has the problem been solved concerning Brazil's purchase of a Soviet ship in return for the obligation fulfilled by the USSR with regard to purchasing a batch of poultry.

MEXICO. In 1983 goods turnover amounted to 12 million rubles, (Soviet exports—3 million), while in 1984 it was 16.1 million. February 1984 witnessed the holding in Mexico of the 3rd Session of the Joint Soviet-Mexican Commission, in the course of which a protocol was signed concerning goods turnover for the years 1984-1985. It provided for an increase in the reciprocal deliveries of goods at a minimum of up to 40 million dollars. However, the obligations in accordance with this protocol are being fulfilled only with regard to the import of Mexican goods.

It was noted at the session that the cooperation of both countries on assembling tractors at the Mexican SIDENA enterprise has facilitated the strengthening of economic ties between the two countries. The parties concerned considered it feasible to further study the possibilities for carrying out multi-lateral exchange operations with regard to petroleum, cotton, sulfur, and other goods. Discussions took place on cooperation in such sectors of industry as electric-power-engineering, the extraction and refining of petroleum, and ferrous metallurgy. Both sides expressed vital interest in cooperation in the sectors of agriculture and fishing. As a result of negotiations between the Mexican Bank for Foreign Trade and the USSR Foreign Trade Bank, an agreement has been signed concerning accounting procedures in accordance with the protocol on deliveries of Soviet machines and equipment.

NICARAGUA. The volume of trade in 1983 amounted to 52 million rubles (Soviet exports—42 million), while in 1984 it came to 140.3 million rubles. The principal Soviet exports remain machines and equipment—motor vehicles, tractors, helicopters, etc. (to the total sum of 39 million rubles). In 1983 delivery of the following raw materials was begun: rolled ferrous metals, fertilizers, papers, etc. With regard to imports, coffee and raw sugar have been shipped in by means of a long-term protocol dating from 1980. In trade with Nicaragua the USSR has a favorable trade balance. However, Soviet exports are frequently carried out on terms of credit.

BOLIVIA. This country's difficult financial-economic situation has hampered the growth of reciprocal trade. In 1983 the goods turnover amounted to 14 million rubles (of which Soviet exports came to 0.7 million), while in 1984 it came to 3.6 million rubles.

At the 2nd Session of the Joint Soviet-Bolivian Commission, which was held in October 1983, the deadline for the expiration of contracts regarding the agreement on deliveries of Soviet machines and equipment was extended for three years. An agreement was signed regarding the reciprocal deliveries of goods for a number of years, an accounting procedure was set up for deals to be carried out within the framework of the agreement on deliveries of machines and equipment; discussions also took place on questions of economic and technical cooperation.

The USSR exports to Bolivia predominantly machines and equipment (metal-cutting, mining, crushing-and-grinding, trucks, passenger automobiles, etc.), while it imports non-ferrous metals and their concentrates (tin, tungsten, bismuth, as well as tin, copper, and zinc concentrates). The two sides are continuing their contacts with regard to questions connected with the operation of a fuming plant, built with the participation of the USSR in La Palca, and the construction of an analogous plant in Machacamarca.

COLOMBIA. April 1984 in Bogota witnessed the holding of the 3rd Session of the Joint Soviet-Colombian Commission; a protocol was signed concerning the reciprocal deliveries of goods during the years 1984-1990 which provides for the annual export from the USSR of machines and equipment totaling 17-20 million rubles worth. The earnings will be utilized to purchase Colombian goods. There has been an extension of the deadline on the expiration of contracts with regard to the existing protocol providing for the deliveries of Soviet machines and equipment.

In 1983 goods turnover amounted to 17 million rubles (Soviet exports accounted for 4 million of this), while in 1984 it came to 18.2 million. The USSR's foreign-trade organizations have supplied Colombia with trolley-buses, UAZ-469B motor vehicles, spare parts for them, cameras, a number of medicines, and (through firms of third countries) carbamide and potassium chloride. Imports include coffee, bananas, and (through firms of third countries) raw sugar. In June 1982 the Energomashexport V/O signed with the Colombian CORELCA organization a contract providing for the delivery of hydroelectric-power-engineering equipment for the Urra I-II GES in the total amount of 135 million dollars. The contract will be implemented during the period 1986-1990. Agreement was also reached concerning the delivery during 1984-1985 of 1,000 UAZ-469B motor vehicles in coordination with the purchase in Colombia of 20,000 tons of bananas. July 1982 witnessed the signing of a contract to deliver 125 trolley-buses to Bogota in coordination with the purchase of 5,000 tons of coffee. By the present time the mutual obligations have been almost completely fulfilled.

PERU. In 1983 goods turnover amounted to 21 million rubles (Soviet exports accounted for 5 million of this), while in 1984 it came to 48.3 million rubles worth. The Soviet Union has delivered airport equipment, spare parts for airplanes and helicopters, metal-cutting machine tools, motor vehicles, other machines and equipment, lubricating oils, and cultural-everyday types of items. Peru has shipped out zinc and lead concentrates, cotton (through third countries), and certain other items. In 1983 an agreement was signed on regulating Peru's debt to the Soviet Union. The Peruvian side expressed gratitude for the understanding which was manifested regarding the economic difficulties which this country has encountered. Execution of this agreement has led to a substantial expansion of Peruvian exports to the USSR. Contracts have been concluded for delivering fish meal, rolled metal and alloys of non-ferrous metals, cotton fabrics and yarn, as well as other items.

At the 3rd Session of the Bi-Lateral Commission the Peruvian side proposed an extensive list, including non-ferrous metals and concentrates, coffee, cocoa, wool, storage batteries, dressed poultry, canned fruit, consumer goods, etc.

URUGUAY. Trade ties with this country have been activated somewhat. In September 1984 Montevideo witnessed the 1st Session of the Soviet-Uruguayan Joint Commission. The two sides exchanged lists of items in whose export they are vitally interested. Signed here was a new agreement regarding the deliveries of Soviet machines and

equipment, as well as the appropriate inter-bank agreement concerning the accounting procedures. Other questions of reciprocal trade were also discussed.

In 1983 goods turnover amounted to 54 million rubles (Soviet exports, comprising deliveries of sodium bichromate and equipment, was equal to merely 2 million), while in 1984 it came to 69.5 million rubles. The principal articles of import are wool from fine-wool sheep, items made of wool, and leather for shoe uppers.

ECUADOR. The ban introduced in 1982 on the import of passenger automobiles—a basic article of Soviet export to this country—inflicted tangible damage to reciprocal trade. At the present time a contract has been successfully concluded for the sale to Ecuador of tractors in the sum of 250,000 rubles.

The volume of goods turnover in 1983 amounted to more than 4 million rubles (Soviet exports—transport means, boring machine tools—accounted for 0.5 million), while in 1984 it came to 3.5 million rubles. Ecuador has exported bananas.

PANAMA. In 1983 exports from the USSR amounted to 7.5 million rubles. As was also the case in previous years, motor vehicles were delivered, including those for subsequent shipping out to a number of other Latin American countries, as well as furs and alcoholic beverages. In 1984 export deliveries reached 12.0 million rubles, while imports amounted to 0.1 million.

VENEZUELA. This country's new government has manifested an interest in expanding trade relations with the USSR. At the end of 1984 negotiations were successfully conducted with regard to concluding an appropriate agreement. Soviet exports for the year amounted to 0.3 million rubles.

In accordance with an inter-departmental agreement between the USSR Ministry of Foreign Trade and Venezuela's Institute of Foreign Trade, the Soyuznefteeksport V/O every year, beginning in 1978, has concluded with the Petroven state company, for the purpose of savings on freight charges, exchange deals for delivering Soviet petroleum to Western Europe in accordance with Venezuelan obligations and Venezuelan petroleum to Cuba in accordance with Soviet obligations. In all, during the years 1978–1983 approximately 2.0 million tons of petroleum were shipped from Venezuela to Cuba within the framework of these deals.

GUYANA. Despite a difficult currency-financial situation, this country has manifested an interest in purchasing Soviet goods on condition that it pay for such imports by deliveries of bauxite.

In 1983, as the result of negotiations conducted with a Soviet delegation, the contract deadline was extended on the protocol regarding the deliveries of machines and equipment from the USSR, and a contract was signed for purchasing 50,000 tons of Bauxite in Guyana. In 1984 the goods turnover between these two countries expanded and reached 0.7 million rubles. The foundation has been created for further developing trade relations.

JAMAICA. The volume of bi-lateral trade in 1983 amounted to 9.5 million rubles, while in 1984 it was 19.2 million. Imported from Jamaica were bauxite, alumina, and tarragon. Delivered to Jamaica by way of Panama was a batch of Soviet passenger automobiles. Trade is carried out on the basis of a long-term agreement concerning the annual delivery to the USSR of 1 million tons of Jamaican bauxite and counter-obligations to import Soviet machines and equipment.

Problems and Prospects

The process of developing Soviet-Latin-American trade ties is still in the initial stage, although with certain countries trade has been maintained for several decades. Its further expansion requires the determination of an optimally, mutually profitable commodity structure, a more detailed study of the export possibilities and import needs of the partners, seeking out trading methods with good prospects, strengthening the contacts between the business circles of the Latin American countries and the Soviet foreign-trade organizations.

The possibilities for developing trade-and-economic cooperation can be judged, for example, by such facts as the following. By the beginning of 1983 almost 1800 industrial enterprises, electric-power stations, hydroelectric-power complexes, agricultural and other projects had been built in the developing countries with the help of the USSR.⁶ They are all the property of these countries; the Soviet side receives no profit whatsoever from the operation of the constructed projects. Some 26 percent of the volume of the Soviet Union's economic and technical assistance goes for electric-power-engineering alone. Unique experience in building power-engineering projects and in producing highly efficient equipment for them makes Soviet aid particularly valuable. Since it is an industrially highly developed state, the USSR has the capability of supplying a wide range of various machines, equipment, and other items which are necessary for the Latin American countries.

At the same time the Latin American partners are capable of supplying the Soviet Union not only with grain, wool, leather, tin, and certain other raw materials. In recent years many of this continent's countries have precipitously developed industry, especially metallurgy, machine building, chemical and petrochemical, textile, food, and other sectors. Latin America accounts for more than 50 percent of the developing world's industrial output. Within the exports of this region's states there has been an increase in the proportion of finished industrial goods.

It is necessary to seek out and develop new forms of trade-and-economic cooperation, primarily production cooperation with national firms, licensing agreements, consultative services, cooperation on a compensational basis, participation in joint societies, etc. At the present time Soviet foreign-trade associations are directly engaged in solving this problem.

Recent years in international trade have witnessed the spread of deals involving coordination between the deliveries of machines and equipment with counter-purchases of items traditionally exported by the developing countries. Experience has confirmed the good prospects of such operations. The coordination between purchases in Latin America of foodstuffs, raw materials, and consumer goods and deliveries of machines and equipment, industrial articles and materials from the USSR will be practiced more widely in the future. Optimization of the system of inter-bank accounts is very important. The USSR Foreign Trade Bank has already concluded with the central banks of a number of Latin American states agreements concerning the technical accounting procedures with regard to foreign-trade operations.

At the present time there are three regular, cargo-type, maritime lines operating between the Soviet Union and the countries of South and Central America, as well as those of the Caribbean Basin. As the goods turnover increases, the

possibilities are being considered for organizing additional lines, which would facilitate the strengthening of trade ties.

Nevertheless, certain states of the region, depending upon domestic political circumstances and under the influence of the TNC's, have put up artificial barriers on the path of Soviet goods, increasing customs duties and, in a number of cases, refusing for purely political motives to purchase Soviet machines and equipment. Sometimes they approach trade with the USSR from the viewpoint of unilateral profit, attempting to sell items which have not found a market or to purchase items which are in short supply on a one-time basis. There are well-known instances when contacts with Soviet foreign-trade organizations have been used merely for tactical purposes, for purchases on advantageous conditions of analogous items in third countries.

Artificial delay of the development of trade with the Soviet Union contradicts the interests of the Latin American countries, which are confronted with the problem of eliminating economic backwardness. The most far-sighted politicians and representatives of business circles of the majority of this region's states are coming to recognize more and more clearly that strengthening trade ties with the USSR is not only an economic necessity, stemming from the international division of labor but also an important means of the struggle for economic independence, as well as the restoration of sovereignty over the natural resources.

As regards the Soviet Union, it is unwaveringly following a line aimed at developing mutually profitable, equitable trade with the Latin American countries. In the person of our country they have a reliable partner, one who respects their national interests. Mutually profitable cooperation facilitates the strengthening of trust and mutual understanding; it answers the purposes of social and economic progress for the states of this region.

FOOTNOTES

1. COMERCIO EXTERIOR, Mexico City, No 2, 1984, p 190.
2. "Economic Commission for Latin America. The International Economic Relations and Regional Cooperation of Latin America," E/CEPAL/SES, 20/G. 18, Santiago de Chile, 28 March 1984, p 8.
3. "Materialy XXVI s"yezda KPSS" [Materials of the 26th CPSU Congress], Moscow, 1981, p 26.
4. As computed in "Vneshnyaya trgovlya SSSR v 1983. Statisticheskiy sbornik" [Foreign Trade of the USSR in 1983. A Statistical Collection], Moscow, 1984, pp 8, 14.
5. As computed in "Vneshnyaya trgovlya SSSR v 1922-1981. Yubileyny statisticheskiy sbornik" [Foreign Trade of the USSR: 1922-1981: A Jubilee Statistical Collection], Moscow, 1982; "Vneshnyaya trgovlya SSSR v 1983. Statisticheskiy sbornik" [Foreign Trade of the USSR in 1983. A Statistical Collection], Moscow, 1984.
6. N. A. Tikhonov, "Sovetskaya ekonomika: dostizheniya, problemy, perspektivy" [The Soviet Economy: Achievements, Problems, Prospects], Moscow, 1984, p 178.

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COOPERATION WITH LATIN AMERICA

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[Article by Anatoliy Ol'shanyy, cand. econ sci., International Institute of Economic Problems of the World Socialist System, under the rubric: "Economic Ties of CEMA Member Nations with Other Countries": "Cooperation with Latin American States"; passages rendered in all capital letters printed in boldface in source]

[Text] The CEMA member nations, in accordance with their policy of peaceful coexistence, and because of the fact that the international division of labor is being built in consideration of a worldwide division of labor, attributes great significance to expanding cooperation with the developing countries.

This immutable political course of the socialist commonwealth states finds expression in the basic documents of the Economic Summit Conference of the CEMA Member Nations, which was held in Moscow in June, 1984. In the declaration approved by this Conference, it is stressed that: "The CEMA Member Nations will continue to conduct a principled line for developing economic-trade and scientific-technical ties with all nations of the world on the basis of mutual advantage, equal rights, noninterference in each others' internal affairs, and respect for the international obligations undertaken.

They will continue to expand cooperation with the developing countries, because this will promote development of the national economies and strengthen the economic independence of the aforementioned nations, and the development of mutually-advantageous economic ties with them."

The attractive force of the principles and methods of cooperation of the CEMA member nations, their outstanding successes in the socio-economic realms, and the positive influence rendered by the integration of our nations for world economic relations are giving rise to increasing attention to the experience of CEMA activities in all regions of the globe, including Latin America. It is noteworthy that representatives of a number of developing countries, including Mexico and Nicaragua, took part in the work of the 39th CEMA Session (Havana, October, 1984) as observers, along with the heads of governments of the socialist nations. Also present for the first time were representatives of the secretariats of the UN Economic Commission for Latin America and the Caribbean Basin (ECLA) and the Latin American Economic System (LAES).

Conducting the CEMA Session in Havana, according to ECLA Executive Secretary E. Iglesias, has great significance not only for the Republic of Cuba but for all of Latin America as well, since it symbolizes the increasing participation of the countries of this region in cooperation with the socialist countries.

At the present time Latin American states are going through the most profound economic crisis in the half-century which has passed since the "Great Depression" of the 1930's. It was noted in the materials of the 20th ECLA Session (Lima, Peru, March-April 1984) and those of the conference of representatives of 11 Latin American nations (Mar del Plata, Argentina, September 1984), that the crisis takes in the majority of the region's countries; that it is of a long drawn-out nature, and has negative effects on all branches of the economy. The crisis is manifested in the significant fall in gross national product per capita. According to this index, in 1983 the nations of Latin America were thrown back to the level of the mid-1970's. The army of the unemployed workers numbers over one-fourth of the economically active population of this region. The foreign debt of Latin American countries reached a record level by the beginning of 1985--370 billion dollars. This sum exceeds the annual value of their exports three-fold. Numerous increases in the bank discount rates in the USA in 1984 led to an additional increase in the obligations for payments to liquidate the foreign debt of Latin American nations by more than 6 billion dollars a year. In the words of Argentine President R. Alfonsin, such increases in the bank discount rates in the USA should be considered economic aggression against the nations of Latin America, which are waging a fierce struggle to survive, and the Latin American region has become a net exporter of their financial resources. In 1983 outlays from the Latin American states outside the region exceeded their receipts by about 30 billion dollars.

The nations of Latin America are encountering increasing protectionism in the markets of the developed capitalist states (where more than 2/3 of their exports are sold). According to ECLA data, various customs and noncustoms barriers employed by the USA, the nations of the EEC and Japan, affect about one-half of Latin American deliveries on the world market (not counting oil and petroleum products).

In order to find a way out of the crisis, stressed E. Iglesias in his speech before the 39th CEMA Session, Latin American countries must implement a major program of socio-economic modernization, not under conditions of isolation, but by means of expanding their foreign economic ties. Therefore, the region's ever-expanding economic relations with the socialist and the developing countries is becoming strategically important.

BASIC AREAS AND DIRECTIONS OF ECONOMIC TIES. In the 1970's and the early 1980's, the organizational and legal basis was laid for trade and economic relations between CEMA member nations and Latin American states: more than 300 bilateral inter-governmental agreements were concluded on developing economic-trade and scientific-technical ties. Inter-governmental commissions have become important elements in the mechanism being developed

for economic relations between them. At their sessions the partners analyze the results achieved, examine and solve problems which have arisen, work out appropriate national and joint measures, and seek new areas for economic cooperation.

Definite progress has been observed in the economic-trade relationships between the CEMA nations and the Latin American states from the 1960's to the present time. In the years 1960-1983 the volume of goods turnover between them has increased twelve-fold. CEMA member nations' exports to Latin America have increased from 163,000,000 to 881,000,000 rubles; and imports, from 177,000,000 to 3,292,000,000 rubles.

Over the years 1960-1983 approximately half the value of deliveries by nations of the socialist commonwealth to the Latin American market comprised finished products; over 40 per cent of the total value of the exports fell to machinery, equipment and means of transportation. The CEMA member nations are supplying machinery and equipment for the electrical power, mining, metallurgical, metal-working, cement and other branches of industry; as well as ships, tractors, passenger cars, chemicals, and other goods.

In certain years fuel (Polish coal, Soviet and Romanian oil) occupied an important place in deliveries of the CEMA member nations. Certain raw material articles from the socialist commonwealth nations are always on sale on the Latin American market; these include Polish sulphur, Czechoslovak and Polish malt and hops, and Bulgarian tobacco and high-grade seeds.

Approximately 85-90 per cent of the imports of the fraternal nations from Latin America in the years 1960-1983 fell to foodstuffs--grains (wheat, corn and soya beans), tropical products (bananas, coffee, cacao) and so on--as well as non-food raw articles--undressed leather, wool, cotton, and certain kinds of mineral raw materials (iron ore, and nonferrous metal concentrates). In recent years the share of Latin American deliveries to the CEMA member nations has gradually begun to shift to finished goods and semi-finished goods, and their range has expanded. At the present time certain Latin American trade partners are supplying shoes, clothing, fabrics, processed leather goods, wine, and medicines to the socialist commonwealth countries.

In his speech at the 39th CEMA Session, Chairman of the USSR Council of Ministers N.A. Tikhonov stressed, that together with the other CEMA member nations, the Soviet Union is rendering and will in the future render as much assistance as it can to the liberated states of Asia, Africa and Latin America, in their efforts directed toward developing their national economy. The nations of the socialist commonwealth are building these relationships on principles of complete equality and respect for national interests; they are not seeking military-political gains, and are not becoming rich at the expense of someone else's labor.

The head of the Soviet government noted that thousands of enterprises and key branches of the economy are being built in the developing countries with the assistance of the CEMA member nations. Nearly 300 of these are in Latin

America. Comrade N.A. Tikhonov expressed the Soviet Union's readiness to increase its contribution to cooperating in the industrialization of the Latin American states, by supplying industrial equipment for erecting the projects.

An important area of economic cooperation between the CEMA member nations and Latin American states is power engineering. According to data cited by E. Iglesias, in his speech before the Havana CEMA Session, commencing with the 1970's the capacity of the electric power stations in Latin American countries increased by 45 million kWt, of which 8.1 million kWt (18%) was put and is being put into operation with the economic and technical assistance of the socialist commonwealth countries. In addition, talks are continuing on their participation in constructing electric power stations with a total capacity of 9.6 million kWt in various Latin American countries. According to an estimate by the ECLA executive secretary, "This experience is undoubtedly satisfactory to the highest degree."

The major hydroelectric power stations "Saldo Grande", with a capacity of 1.9 million kWt, and "Sobradino"--1 million kWt--are famous far beyond the borders of Argentina and Brazil. These GES's are the manifestation of the labor and cooperation of Argentinian, Brazilian, Uruguayan, and Soviet organizations. Electric power stations are being erected in Argentina, Brazil, Peru and Mexico with Czechoslovak assistance.

There are examples of cooperation by CEMA member nations in a number of Latin American states in exploration and assimilation of their fuel and raw material resources; in the area of metallurgy, cement, textile, fishing, and other branches of industry; in agriculture, transportation, and communications. For example, Polish specialists have made a noteworthy contribution in the search for coal deposits in Alto Chicama and Oyon (Peru); in various regions of Venezuela and Colombia; and in modernization of coal mines in Rio Turbio (Argentina). Cooperation is developing among Soviet organizations and firms in Colombia and Venezuela in conducting geological survey and exploration work for oil. In Bolivia the Soviet Union took part in the construction of a plant which refines 400 tons of low-grade tin ore per day. At full operating capacity the value of the output of this plant is estimated at 40 million dollars per year. The experience gained will be taken into consideration in planning for a similar plant in Machacamarca.

An antimony plant with a capacity of 5,000 tons of metallic antimony per year was put into operation in the city of Oruro (Bolivia) with the assistance of Czechoslovak organizations. At the present time Czechoslovakia is supplying unique technological equipment for expanding this enterprise.

Hungarian specialists took part in procurements for construction of alumina plants on Jamaica and in Guyana.

In the area of ferrous metallurgy the USSR has assisted Peru in developing the technical and economic basis for construction of a metallurgical plant with an annual capacity of 2 million tons of steel, in the area of Nazca.

Two new cement plants are being built in Brazil with the technical assistance of the CSSR. The CSSR had previously built seven such plants here; these plants produce 10 per cent of the cement in the country. Czechoslovak organizations have also taken part in the construction of a cement plant in Argentina and two glass factories in Bolivia. And Production of glass insulators for high-voltage power transmission lines has been set up in Mexico, in cooperation with the USSR.

One can also cite examples of fruitful cooperation in the processing industry. The CSSR has assisted Mexico in setting up production of certain kinds of metal-cutting machine tools and ball bearing production. A plant for producing metal-cutting machine tools was built in Peru with Romanian assistance. And the GDR has rendered economic and technical assistance to Guyana in creating a national complex of repair shops for passenger cars, and for agricultural and road-building machinery, in Kolding.

In the 1970's and early 1980's, with the assistance of organizations from the GDR, sets of equipment were supplied to three cotton spinning factories in Brazil, two in Mexico and one in Colombia. The GDR has supplied more than 3,000 machines to Mexico alone for the textile industry. And Czechoslovakia-supplied equipment has played an important role in establishing the tanning industry in the area of Leon, Mexico.

In early 1985, a new sugar agroindustrial complex called "Tipitapa-Malakatoya" was set up in Nicaragua with Cuban assistance. The complex, which is situated 32 km from Managua, is designed to produce 110,000 tons of raw sugar and 43,000 tons of syrup per harvest season. This is the largest economic project ever carried out in the Latin American countries. It required capital investments of more than \$200,000,000.00 to complete. Putting this complex into operation permits expanding Nicaragua's export capabilities for sugar by 50 per cent.

FORMS OF COOPERATION. A process of diversification has begun in the forms of economic and technical, as well as industrial, cooperation among participants from the two groups of countries.

The cooperative ties between partners in the industrial sphere are established in various forms: subcontracting; joint production; joint companies; trilateral cooperation; etc.

Under subcontracting conditions agreed upon with foreign trade organizations of CEMA member nations, Latin American firms carry out construction, installation and other kinds of work, and offer various technical services. They also produce component parts, semi-finished products, and finished products. This form of cooperation is extremely suitable for production under license; it is quite frequently combined with it, and envisages manufacturing component parts, semi-finished products and finished products, in accordance with documentation and know-how from a subcontractor from the CEMA member nations. Occasionally, they also utilize parts, machinery and equipment supplied by the subcontractor, for production.

A Hungarian organization, acting in the capacity of a contractor, increased the capacity of the Canyon del Pato GES in Peru from 100 to 150 MWt. A Czechoslovak firm is the contractor which is building the 250-MWt capacity Lujan de Kuyo Thermal Electric Power Station in Argentina. Peruvian and Argentinian firms are performing various work in the construction of the projects, as subcontractors. About 30 per cent of all the technological equipment required to put the Agua del Toro GES into operation is being produced by Argentinian industry, in accordance with Czechoslovak documentation.

We shall cite examples of joint production. The effective period of cooperation agreements for joint production amounts to 5-10 years and more, which permits establishing stable economic ties between the partners.

For ten years now, the Soviet "Traktoreksport" Association has been cooperating with the Mexican state firm "Siderurjica Nacional", in organizing assembly of tractors at the firm's plant in Ciudad Sagun--the documentation for which was supplied by the Soviet partner. Coming off their assembly line are "Sidena-310" brand tractors.

The foundation has been laid for Argentinian-Polish manufacturing cooperation in ship building. In accordance with the contract signed in 1981, upon order from and with the technical cooperation of Poland, eight dry cargo carriers worth a total of \$200,000,000 will be built at the shipyards of the Argentinian company "Astileros Aliansa S.A.". The PNR will supply sets of equipment for these vessels.

In accordance with a \$150,000,000 contract concluded with the administration of Brazil's port authorities ("Portobraz"), organizations from the GDR are supplying port cranes with a lifting capacity from 6-40 tons, and are cooperating with this firm in assembling port cranes with a lifting capacity of 2.3 to 6.3 tons.

Joint companies, with participating capital from the CEMA member nations, play a positive role in economic and trade relationships between the partners. In all, 38 joint and local companies have been established in Latin American countries, with the participation of organizations from Czechoslovakia (18), Hungary (8), Poland (5), Romania (3), GDR (2) and Bulgaria (2). These companies are operating in 15 Latin American states, including 7 in Mexico, 6 in Brazil, 5 in Venezuela, 3 each in Peru and Argentina, 2 each in Bolivia, Colombia, Chile and Jamaica, and one in the Bermuda Islands, in Guatemala, Nicaragua, Panama, Uruguay and Ecuador.

Among the socialist countries the greatest experience in joint ownership on the Latin American continent has been gained by Czechoslovak organizations, whose capital is involved in 18 of the 38 companies.

In the early 1970's the Mexican machine-building firm FAMA and the Czechoslovak "Stroyimport" Association set up the joint company FAMA S.A. The partners' shares in the joint stock capital amounted to 51 and 49 per cent, respectively. At its plant, which was equipped with Czechoslovak

equipment and operating under Czechoslovak license, the company began assembly of lathes intended for Mexican and Central American markets. In 1982 the FAMA S.A. Co. began construction of yet another machine building plant.

Economic ties between the CEMA member nations and Latin American states are implemented basically on a bilateral basis. At the same time, in recent years, multilateral forms of cooperation have also been developed to a certain extent, to include trilateral cooperation. The latter is a promising direction for further strengthening all-around ties between states with different socio-economic systems.

During construction of the Bahia Blanco and Costanero thermal-electric power stations in Argentina, the Soviet organization "Energomashesport" supplied, and assisted in the installation of the power units. West German and a number of Argentinian firms were brought in as subcontractors.

The most complex form of trilateral industrial cooperation is association in a consortium. The coal-fired thermal-electric power plant "George Lasorda" with a capacity of 250 MWt (2 X 125 MWt) in the state of Santa Catarina was designed and built in 1982 and transferred to the Brazilian client by a consortium created especially for that purpose. The Czechoslovakian organization "Skodaeksport" and the West German firm "Deutsche Babcock" were the main firms in it.

In cooperation with the Argentinian firms "Comarco" and CADE the very same Czechoslovak organization is continuing construction of the "Lujan de Cuyo" thermal-electric power station in Argentina. "Skodaeksport" is cooperating with the firm of "Deutsche Babcock" for planning, delivery of equipment, and supervising its installation within the framework of a consortium created for this purpose.

The order for the construction of the "Salto Grande" GES on the Uruguay River (on the border of Argentina and Uruguay) was received as the result of the international trade success of the consortium to which the "Energomashesport" association (USSR) and the firm "Ingenieria Taurco" (Argentina) belong. The client is a joint Argentinian-Uruguayan technical commission. The Soviet partner in the consortium supplied the hydrocomponents and also provided the necessary engineering and consultative services during construction of the GES. While this order was being filled, a local firm carried out construction work, supplied auxiliary equipment and structural steel. Certain component parts of the basic technological equipment for this electric power plant were purchased from western firms.

Foreign economic ties with Mexico and Nicaragua are developing on a multilateral basis, based on corresponding agreements for cooperation with the Council for Mutual Economic Assistance.

A joint commission established in accordance with an agreement between CEMA and Mexico, whose fifth session was held in Mexico in November 1984, is developing multilateral ties between the partners in such areas as foreign trade, the mining and processing industry, agriculture and agroindustry,

the fishing industry, merchant marine, and so on. The first joint economic and industrial exhibit of the CEMA member nations held in the Mexican capital under the title "Comexpo 84" enjoyed great success. It demonstrated the achievements of the countries of the socialist commonwealth and the prospects for development of their economic and scientific-technical ties with Mexico and other states of Latin America.

In this connection it is appropriate to bear in mind that about one-third of all the scientists, engineers and technicians in the world work in the fraternal nations, and are responsible for about half of all new inventions. The scientific and technical potentials of the countries which belong to CEMA exceed those of the USA and the all the states of the European Economic Community taken together. The CEMA member nations offer their foreign partners nearly 2,000 modern, highly-efficient technologies and engineering solutions in practically all branches of industry, science and technology. On the other hand, the process of industrialization in the Latin American states has contributed to the fact that today they are interested in supplying to the world market, including the CEMA member nations, not only their traditional raw material goods, but also a wide assortment of semi-finished goods and finished products. In the early 1980's the export of products from the processing industry of Latin American countries reached 20 billion dollars per year.

Further development of economic and trade cooperation among the partners is a subject for discussion at various international seminars and special research projects. Specifically, they have found expression in the final document of a seminar on problems of economic relations between Latin American states and the CEMA member nations, organized by ECLA/UNCTAD/PROON [possibly, UN Development Program] in July 1984. This document took note of measures which could promote development of this cooperation and put it on a basis of long-term, stable and mutually-advantageous division of labor. This means primarily concluding long-term inter-governmental contracts and working out on a bilateral basis programs embracing trade and financial relationships, technical assistance and scientific-technical cooperation, and various kinds of manufacturing cooperation and specialization.

Other important measures could include expanding cooperation of interested countries in searching for and assimilating their natural resources, setting up contacts and cooperation between the partners' planning organs, establishing in the interested countries joint trade, production, construction, planning and consultative organizations, and developing and improving multi-lateral forms of economic and trade cooperation between the partners. *

As CEMA Deputy Secretary B. Kadar noted in his speech at the 20th ECLA Session, measures for further activization of cooperation between the Council for Mutual Economic Assistance and the UN Economic Commission for Latin America and the Caribbean Basin are to be an important factor in developing trade and economic ties between the two groups of countries.

* See: UNCTAD Document TD/VI. p4, CRP. 1, pp 3-4.

There are a number of definite resources here: expanding joint participation by representatives of the ECLA Secretariats and CEMA at meetings of the authorities of both organizations; activation of exchange of informational materials; and developing joint research projects by ECLA and CEMA organs which are of interest to both parties.

Economic and trade cooperation between the CEMA member nations and the states of Latin America and the Caribbean Basin has great possibilities. Taking advantage of them more fully will promote the wellbeing of the nations, and the cause of peace and progress in the entire world.

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CHINA/FAR EAST/PACIFIC

PRAVDA ASSESSES AUSTRALIA'S FOREIGN, DEFENSE, TRADE POLICIES

PM171324 Moscow PRAVDA in Russian 12 Jun 85 first edition p 4

[V. Afanasyev article: "On the Beach. Australia Today"]

[Text] It was over 25 years ago, in December 1959, that Stanley Kramer's movie "On the Beach," based on the novel by Australian writer Neville Shute, was premiered in the capitals of many countries on all five continents. The action took place on an American submarine, and also in San Francisco and Melbourne, on the eve of and after... a nuclear world war. The whole world is devastated. San Francisco, just as the whole of the United States, is also dead, without a single living soul. Meanwhile, in Melbourne... having avoided the nuclear conflagration, Australia has nevertheless been unable to avoid its tragic consequences. Radioactive clouds are gathering above the country. Death is inevitable. To reduce the suffering of the doomed everyone is issued with deadly poison pills.

The artist was in the realms of fantasy, but his movie is a warning: a thermonuclear catastrophe threatens all of mankind with destruction. And it is not in vain that the movie ends with an appeal to avert the atomic threat before it is too late.

The threat of thermonuclear war and the awareness that, should it occur, this war will not bypass distant Australia, are causing growing alarm among its people. And this is why the politicians, whether they like it or not, cannot avoid this problem. "The government," the Australian newspaper NATIONAL TIMES wrote, "is face to face with the stark reality that peace and nuclear disarmament are among the main political issues in Australia."

Since the labor party came to power (in March 1985) a desire has been displayed for somewhat greater independence in determining Australia's approach to the solution of various international problems. This primarily takes the form of the Australian government's awareness of the danger of nuclear war and the need to halt the arms race, the idea of establishing a nuclear-free zone in the South Pacific, and the readiness to develop political dialogue with the USSR.

Australia supports the objectives of the Geneva Talks--to terminate the arms race on earth and prevent it in space--and is interested in the talks' success, since this success would help improve the entire international situation.

At the 39th UN General Assembly session the Australians supported the Argentine draft resolution on the prevention of nuclear war, which the Soviet Union also

voted for. They advocate support for a freeze of nuclear arsenals. It was at that session that Australia, despite the stance of the United States and many of its allies, voted for the first time in favor of a draft resolution to freeze nuclear weapons submitted by a group of neutral and nonaligned countries.

The Australians are in the process of finalizing a draft international treaty proclaiming the South Pacific to be a zone free of nuclear weapons. According to AFP reports, the draft will be discussed at a forum of countries from this region which opens in Rarotonga (Cook Island) next August.

Australian Foreign Minister William Hayden declared that his country, although a staunch ally of the United States, is engaged in "active and energetic" quests to reach an all-embracing agreement banning nuclear tests.

Australia unconditionally supports the treaty on the non-proliferation of nuclear weapons. This treaty imposes on it permanent and strict obligations not to acquire nuclear weapons. At the same time, the cabinet approved in September 1983 a secret document entitled "strategic bases of Australian defense policy," which says that Australia must develop its own atomic weapons as soon as it becomes apparent that any of its neighbors are developing such weapons. This document was published by the newspaper national times. It is difficult to say who are the "neighbors" in question.

The Australian Government advocates the speediest possible reaching of agreement at the talks on the mutual reduction of armed forces and armaments in central Europe. It has declared its support for the "goals and aspirations" of the stockholm conference on confidence- and security-building measures and disarmament in Europe.

Nonetheless, Australia's foreign policy cannot be described as consistent. Leftwing forces, including forces within the ruling Labor Party, are criticizing the government's inconsistency, its support for U.S. nuclear plans, its condemnation of New Zealand's ban on U.S. ships with nuclear weapons entering its ports, and its approval for the development of major uranium ore deposits in Australia.

During a recent visit to the United States the prime minister promised material and technical assistance for U.S. aircraft which will monitor the progress of U.S. MX missile tests in the Tasman Sea. A wave of indignation by leftwing forces forced the prime minister to withdraw his promise which, in turn, gave rise to criticism by rightwing forces.

Australia's foreign policy is quite firmly attached to U.S. policy, and local influential circles see the United States as a "natural ally."

Three major U.S. military bases are located in Australia. They are extremely powerful radio relay stations. Some local politicians tried to tell us that these are not nuclear bases. That they have been set up for "nuclear disarmament control," and that they are run jointly by Australians and Americans. We openly told our interlocutors that these are nothing but fairy tales. Yes, the radio relay stations as such are not nuclear bases. But they serve the goals of testing, targeting, and guiding U.S. nuclear missiles. And they are essentially run by Americans.

Maximilian Walsh, well-known political observer and commentator, wrote recently in the newspaper THE AGE: "Australia's integration within the U.S. defense system on its present scale would have been simply unthinkable in the age of Robert Menzies (the conservative leader who headed the coalition government of the Liberal and National Parties in 1949-1966) who, a quarter of a century ago, signed the agreement on the establishment of U.S. bases." The U.S. bases, Walsh went on, must be seen as "components of the defensive (and offensive) system to the continental United States."

But this is not all. Australian journalists Brian Tuohy and (Marian) Wilkerson recently cited previously unknown facts of Australia's participation in joint work with the United States to develop a space-based military reconnaissance system using a special variety of infrared beams. The system's purpose is to detect and accurately determine from space the coordinates of ships, military aircraft, satellites, and ballistic and cruise missiles.

Defense Minister Kim Beazley was forced to admit U.S.-Australian cooperation in the development of a reconnaissance system codenamed ("Tilrubi"). He also admitted the fact that in the long term it can be used for the development of weapons for the so-called "star wars." According to the minister, however, Australia's participation in research work and the forthcoming tests of the system does not go too far, and whatever is being done does not compromise its stance on such weapons. ("Tilrubi") became public knowledge almost simultaneously with reports about the upcoming confirmation by Canberra of Australia's "rigid stance" against "star wars."

This stance was confirmed by W. Hayden who, speaking at a press conference in Delhi, declared: Australia does not intend to participate in the implementation of the "star wars" program proclaimed by the Reagan administration.

Again the very same inconsistency! And it is no wonder at all that the movement for peace and prevention of nuclear war is spreading widely in Australia.

Hiroshima Day, which was celebrated in early August 1984, is one of the symbols of this movement. Mass meetings and demonstrations were held in Sydney and other cities in New South Wales. They were organized beneath the slogans "American bases out of Australia!"; "block the access of American ships with nuclear weapons to Australia!"; and "we need peace, not war!"

While in early 1983 this antiwar movement consisted of just 9 grassroots organizations of champions of peace, there were over 90 of them in August 1984. In the country as a whole 88 local administrative councils, including 47 municipal councils, have declared their territories to be nuclear-free zones.

The small Australian Democratic Party has taken a rigid antinuclear stance and gained five seats in the senate at the December 1984 elections.

The nuclear disarmament party, registered 14 September 1984, gained over 500,000 votes at the same elections, unexpectedly cutting into the labor party's majority. It won a senate seat for its candidate, Jo Vallentine. It is true that the party has split. Vallentine has left the party due to differences with the Trotskyites who have taken leading positions within it. Now she styles herself "the senator for nuclear disarmament from western Australia."

On coming to power, the labor party quickly resumed relations with the Soviet Union which, apart from trade relations, had been curtailed by the conservatives. The exchange of delegations and the economic, scientific, technical, cultural, and sports ties are being developed.

Many representatives of Australia's political and business circles, whom we met at both federal and state level, spoke about the need to strengthen and develop Soviet-Australian relations. During a conversation with us, Australian Prime Minister Robert Hawke, for example, noted that the Australian Government will strive to strengthen mutually advantageous relations with the Soviet Union. Without this, the prime minister said, "any state's foreign policy is unthinkable at present." Opposition leader Andrew Peacock also told us that, if the opposition comes to power, it will maintain and develop relations with the USSR.

The visit by a USSR Supreme Soviet delegation to Australia proceeded in a calm, and I would say friendly, atmosphere. Our interlocutors wanted to learn more about our country, its people, and our successes and problems.

Let me cite an instance which may not be so important, but is still noteworthy. While in Perth the delegation attended a concert in which Simon Gallaher, Australia's most popular pop singer, took part. At the height of the concert the master of ceremonies announced that a delegation from the USSR Supreme Soviet was in the hall. The audience--and the large hall was filled to capacity--stood up and applauded us for a long time. This was in no way a planned action but a sincere demonstration of ordinary Australians' interest in and good feelings for the land of the Soviets.

And yet they know far too little about the USSR. As a rule, and due to the influence of the mass news media, the Australians' impressions of us are false. No wonder, since many American and other Western publications whose materials are used by the Australians treat us, to put it mildly, extremely improperly.

The shelves in book stores display quite a few anti-Soviet concoctions by "Sovietologists" and renegades. They write about all kinds of "disorder" in the USSR (taking material from critical material published by our own press). There is also talk about the "Soviet threat."

Yet, and we emphasized this in conversations and interviews, the Soviet Union threatens no one, including Australia. The land of the Soviets has pledged not to be the first to use nuclear weapons and never to use such weapons against countries which refuse to produce or acquire them, nor have such weapons on their territory.

The morals of some Australian conservatives and press organs are demonstrated by the following fact, for example. Bruce Raxton, president of the Australian War Veterans Organization, was in Moscow for the celebrations of the 40th anniversary of victory. Being conservative in his political views, he nonetheless referred with extreme goodwill to Soviet people and youth in one of the newspapers. Only a few days later, however, in a different newspaper this time, he was already saying that it would be good if there were more "human rights"

in the USSR, drawing a parallel between us and ... South Africa. Thus the conservative rehabilitated himself in the eyes of other conservatives.

It has to be said for fairness' sake, however, that Melbourne's popular newspaper THE AGE, with whose Editor-in-Chief Creighton Burns we conversed, is quite accurate in presenting the essence of our foreign policy.

A cooperation agreement was signed between the USSR Chamber of Trade and Industry and the Confederation of Australian Industry. The two organizations have set up a Soviet-Australian committee for cooperation in the development of trade and an "Australia-USSR" businessmen's council respectively. The first joint session of the committee and the council was held in Moscow last May.

A serious deficit exists in our trade with Australia: We buy several times more than we sell. It seems to us that one of the reasons behind this is the fact that the competitiveness of many of our products on world markets is poor. Meanwhile, only top quality products can survive the hard competition. We must produce such goods. This is necessary for both our domestic market and our exports.

The USSR Supreme Soviet Delegation visited Australia on a goodwill mission, in pursuit of a single goal: To help strengthen and develop equal and mutually advantageous relations between the Soviet and Australian peoples. We feel that the delegation accomplished its mission.

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CHINA/FAR EAST/PACIFIC

U.S. ATTEMPTS TO 'MILITARIZE' SOUTHEAST ASIA ASSAILED

KRASNAYA ZVEZDA Commentary

PM140825 Moscow KRASNAYA ZVEZDA in Russian 13 Jun 85 Second Edition p 3

[Article by Candidate of Historical Sciences Captain 2d Rank V. Vartanov:
"What They Are Seeking. ASEAN in Washington's Plans"]

[Text] Recently the United States has appreciably stepped up its activeness in Southeast Asia. "The United States," the head of the White House declared in an interview in the Hong Kong journal FAR EASTERN ECONOMIC REVIEW, "has very important interests in Southeast Asia, and in the ASEAN countries in particular." Numerous facts attest that these very "interests" lie, above all, in the military-political sphere.

Pentagon strategists regard Southeast Asia as a bridge connecting American military structures in the West Pacific and the Near East. Proceeding from this, the U.S. military department is planning to create in the region "storage depots" and transshipment points between its bases both in the Indian Ocean and in the Pacific, which will essentially differ little from military bases. Even now the Pentagon makes active use of the Strait of Malacca to move ships of the 7th Fleet from the Pacific to the Indian Ocean. The Strait of Lombok, which lies in Indonesian internal waters, is also used for the same purpose. The U.S. Navy's use of harbors and port installations in countries of the region has become a constant practice.

At the same time Pentagon generals intend, in the event of an "emergency," to take control of the most important marine lines of communication passing close to the coasts of Southeast Asia. Moreover, the American military department proposes to deploy nuclear missiles and chemical weapons there.

However, the states of the region will remember how blind following in the wake of American policy led to the involvement of some of them in the "dirty war" in Indochina and do not want a repetition of the past. Unembarrassed by this, Washington is trying to achieve its aims with the help of intrigues targeted on ASEAN, which includes Thailand, Malaysia, Singapore, Indonesia, the Philippines, and Brunei.

In order to realize its design the United States is seeking, THE NEW YORK TIMES pointed out recently, "to promote the strengthening and cohesion of ASEAN by developing the military potential of the association's member states to give support to the United States." That is, it is a question of gradually turning ASEAN into a military bloc under American leadership.

Washington allocates the chief place to massive weapons deliveries to the ASEAN countries. Over the past 5 years the volume of American military deliveries to the association states increased 150 percent and exceeded \$3 billion in cost terms. This year Washington proposes a considerable increase in weapons deliveries to this organization's members. According to the Philippine newspaper BULLETIN TODAY, over the next decade the countries of the region will be supplied with U.S. arms worth \$10 billion.

Washington's true aims are eloquently indicated by the fact that as of next year it is proposed to give military aid openly not only to the ASEAN countries but also to Khmer reactionary gangs dug in in the region of the Thai-Cambodian border. And yet it is precisely these Pol Potite holdouts who are exacerbating tension between Thailand and Cambodia with their sallies and provoking increased confrontation between the ASEAN countries and the states of Indochina.

The United States is sending Singapore E-2C aircraft equipped with a long-range radar detection and warning system and F-5E Fighters. These same fighters are being supplied to Malaysia and Indonesia. On the provocative pretext of "defense against potential aggression" literally piles of weapons are being sent to Thailand. The Pentagon recently reported that 12 F-16 aircraft will be delivered to that country. The sum total of this contract will exceed \$360 million. The ASEAN states' press reports that Washington also intends to foist these same modern combat aircraft, which are carriers of nuclear weapons, onto the Philippines, Singapore, and Indonesia.

The persistent U.S. desire to sell F-16's reveals very clearly the chief aims which the United States is pursuing with these deliveries. For, on the one hand, the deployment of a considerable number of these aircraft will arouse perfectly valid fears in the socialist states of Indochina and become one more obstacle in the way of the peaceful settlement of disputed questions in the region.

On the other hand, the deployment of these aircraft in several countries at once gives the Pentagon the opportunity to put forward a proposal to set up a single system of material and technical backup and a single pilot-training system for ASEAN.

Conditions are thereby being created for these states' military integration and, ultimately, to turn the association itself into a military bloc.

Washington is seeking in parallel to intensify direct military cooperation with ASEAN. As is known, the United States succeeded in securing an extension on the lease of military bases in the Philippines, two of which--Clark

Field Air Base and Subic Bay Naval Base--are the Pentagon's biggest overseas bases abroad. The American military is once again reinforcing its presence in Thailand. Since November 1981 U.S. military aircraft have made constant use of the former American base there at U-Tapao and participated in the rehearsal of Thai Army combat operations. Increasingly frequently American troops have begun conducting exercises jointly with the Thai and Philippine armed forces. The American-Philippine (Balikatan)-85 maneuvers, in which large contingents of the interventionist U.S. Rapid Deployment Force participated, have just ended. And in Bangkok General (U. Shrupp), deputy chief of staff, U.S. Armed Forces, Pacific and Indian Ocean, has already discussed in detail the plans for the upcoming American-Thai Cobra Gold-85 maneuvers.

Questions of closer military cooperation between the United States and the ASEAN states and of an arms buildup by the "six" were discussed during trips to a number of association member states by Secretary of State G. Shultz, Defense Secretary C. Weinberger, Air Force Secretary V. Orr, Assistant Secretary of State P. Wolfowitz, Assistant Defense Secretary R. Armitage, Deputy Assistant Defense Secretary J. Kelly, former Secretary of State H. Kissinger, and other visitors from Washington.

The Pentagon has stepped up shows of force in Southeast Asia. Where in previous years an average of one U.S. warship a month appeared in the coastal waters of the countries of the region, by the mid-eighties there were two or three a week. In February 1985, for example, the "Blue Ridge," flagship of the U.S. 7th Fleet, dropped anchor in Manila port. At the same time the American missile destroyer "Robison" was in the harbor of the Indonesian city of Surabaya.

Thus, the practice of relations between the ASEAN states and the United States attests to attempts by Washington to hinder the association's development in accordance with its declared aims, which provide for the strengthening of national independence, the acceleration of economic and cultural progress, and the ensuring of peace and security in Southeast Asia.

"ASEAN was created for peace," Indonesian Foreign Minister M. Kusumaatmaja declared. "We do not want to be at odds with other countries, above all not with our neighbors. We do not want to interfere in other states' internal affairs." The position of partners in Washington's aggressive strategy, of players of another's role, runs counter to the fundamental interests of the peoples of the region.

Cobra-Gold 85 Exercises

LD021752 Moscow Domestic Service in Russian 1630 GMT 2 Jul 85

[Text] American-Thailand military maneuvers under the codename "Cobra Gold-85" are being held off the coast of Thailand. At the microphone is international journalist Vladimir Beloshapko:

These maneuvers are held every year, but this one is on a greater scale than any before: 7,000 marines and more than 3,000 soldiers and officers from Thailand, 20 American and 17 Thai warships, aircraft, and helicopters are practicing special combat operations, including a landing on the coast of the Gulf of Thailand. Why is such a major show of force necessary at precisely this time?

Its timing, as one might imagine, was not selected accidentally. To judge by all appearances, the aspiration of the peoples of the region for peace and good-neighborliness and their desire to put an end to lack of trust and suspicion and embark upon broad mutually advantageous cooperation arouses anxiety in Washington. Such tendencies can be seen fairly clearly. The peace-loving policy of the Indochinese countries, the constructive proposal of Vietnam, Laos, and Kampuchea for a radical improvement in the political atmosphere in Southeast Asia and, specifically, for the normalization of relations with Thailand, are meeting with an increasingly broad response. As it happens, today, in a letter from the SRV permanent UN representative to the secretary general of the United Nations Organization it was once again stressed that Vietnam and Cambodia have always respected the sovereignty and territorial integrity of Thailand, and aspire to insuring peace and stability on all the Kampuchean-Thailand border. Of course, such a turn of events suits the American strategists least of all. Indeed, how in this case can one explain the need to expand militaristic cooperation between the United States and Thailand or justify the American military presence in this part of the Asian continent?

To sum up, Washington presents the future of Southeast Asia in quite another way. There they would like the hot-bed of tension continued in the region. The provocative maneuvers in the immediate vicinity of the borders of sovereign states of the region are a practical contribution to the implementation of such unseemly schemes.

Shultz Visit to ASEAN Meeting

LD12042 Moscow Television Service in Russian 1400 GMT 14 Jul 85

[From the "International Panorama" program presented by PRAVDA Observer Vsevolod Ouchinnikov]

[Text] This week, in the capital of Malaysia, Kuala Lumpur, the annual conference of the foreign ministers of ASEAN was held. To start with the representatives of Indonesia, the Philippines, Thailand, Malaysia, Singapore, and Brunei conferred among themselves; and then, according to the practice which has become established in recent years, they were joined by their partners in the dialogue in the Pacific region--the heads of the foreign affairs departments of the United States, Japan, Canada, Australia, and New Zealand (video: clip shows conference hall and delegates). It is supposed to be a routine meeting of a regional character; how can one explain, then, that such prominent political figures as, for example,

Secretary of State Shultz, are bestowing their attention on it? The year before last he travelled specially to Bangkok for this, and last year to Jakarta. The heightened interest in ASEAN is not by chance; it is to be explained by the fact that the United States and its allies regard the Asiatic Pacific region as the second most important arena of military and political confrontation with the socialist countries. This is the origin of the scheme to create an anti-Soviet eastern front under the label of the so-called "Pacific Community". Apart from the five partners in the dialogue, they want to include South Korea and the six members of ASEAN. So it is not without purpose that Shultz has taken to visiting Southeast Asia. Just as in past years, the U.S. secretary of state's efforts were directed first at causing conflict between the members of ASEAN and their neighbors, the countries of Indochina, by stirring up passions around the notorious "Kampuchean problem"; and second, by intimidating his interlocutors with the Vietnamese-Soviet threat, to draw them into the Pacific Community. Before the beginning of the conference in the capital of Malaysia, Shultz visited Thailand and bases on the border with Cambodia, where the counterrevolutionary rabble that has been thrown out of this country has based itself. (Video: clip showing Shultz in Thailand; addressing meeting)

Not long before him, these bandits' nests were visited by Casey, the CIA boss, so he could determine for himself just what sort of military aid is required by the participants in the undeclared war against Cambodia, for which the House of Representatives the other day officially allotted \$5 million. With his showy visit Shultz tried to set the tone for the discussions in Kuala Lumpur, and these efforts, it would appear, did not pass without leaving a trace. The ASEAN foreign ministers put forward a proposal that Vietnam should begin negotiations through intermediaries with the representatives of the Khmer counterrevolutionary groups. Naturally Hanoi and Phnom Penh immediately rejected it. At the same time the Indochina countries let it be known that they favorably regard efforts directed at developing a dialogue to speed a political settlement. The tension in the region by no means corresponds to the interests of the ASEAN countries. In recent years they have achieved considerable success in the development of their production potential and they do not want to reconcile themselves to the fact that their dialogue partners are pumping the raw materials they need out of Southeastern Asia but are doing everything to hinder the sale of goods produced there on their own markets. The conference in Kuala Lumpur has shown that the ASEAN members have approximately the same concerns as Mexico. They are concerned by the hardening of protectionist measures, the fall in prices of raw material goods, the rise of bank rates, that is, problems connected with the reconstruction of the international economic order. They regard Pacific integration with suspicion. Indonesia for example believes that, as the least developed of the countries of Southeast Asia, she would lose more than anyone from such integration. For this reason in Jakarta they do not think it expedient to create some sort of new regional organization, especially one with a political color. Yet it cannot be said that the idea of a Pacific Community has been completely blocked; Shultz and his colleagues regard as an achievement just the fact of regular meetings according to the formula

five plus six. In addition, in Kuala Lumpur they have succeeded in persuading their interlocutors to try out as a first step towards Pacific integration a joint program for the training of scientific and technical cadres for the ASEAN countries, and faced with such bait, not even Indonesia was able to resist.

American imperialism has recently noticeably increased its attempts to attach the countries of Southeast Asia and the Far East to the realization of its worldwide strategic military plans. The sharp edge of this policy is directed against the socialist state of Asia, but in its essence it threatens all peoples of the Asiatic Pacific Region.

CSO: 1807/388

CHINA/FAR EAST/PACIFIC

PROGRESS REVIEWED ON ANNIVERSARY OF BURMA'S RULING PARTY

BK041410 Moscow in Burmese to Burma 1030 GMT 4 Jul 85

[(Viktor Lintov) "Article" on Anniversary of Burma Socialist Program Party]

[Text] Today, 4 July, marks the 23d anniversary of the founding of the Burma Socialist Program Party [BSPP]. The party is observing this special day by actively preparing for the Fifth Party Congress. Currently, tasks implemented since the last party congress are being reviewed and future party programs for the social, economic and cultural development of Burmese society are being considered.

The Lanzin [BSPP] Party was nurtured by the Revolutionary Council which was formed with national patriots led by General Le Win. The country, pushed to the brink by the government representing the bourgeoisie and landholders, was saved by the Revolutionary Council.

The party has traversed a difficult path. It was founded during a time of external interference, active secessionist and other destructive movements. However, by the time the first party congress was held, the party had been transformed from a party with few members to a mass party capable of leading the Burmese society. The party had by then carried out the basic socio-economic reforms under the party's leadership and laid the foundation for today's proud achievements of the Burmese people. By this we refer to the nationalization of factories owned by foreign entrepreneurs, implementation of land reform which set the peasants free from the exploitation of feudalists and land holders, and the nationalization of external trade.

The leadership of the Lanzin party in Burmese society was legitimized with the promulgation of a new constitution of the Socialist Republic of the Union of Burma following a national referendum. The party's responsibility for the country's affairs grew further.

In recent years, remarkable achievements have been made in the economic field despite some problems. For instance, plan implementation for gross national product in the last fiscal year was 100 percent. Compared to the previous year, the gross national product increased by 6.6 percent. Record paddy harvest was reported with increases reported in the production rate of wheat, pulses, and other crops.

Social successes achieved by the Burmese people under the leadership of the Lanzin party, such as free health and education, are not enjoyed by the working people in countries following the capitalist path. Burma was awarded the UNESCO award for literacy for the party's assiduous efforts in promoting literacy on the national scale. It is said in Burma that more cultural and economic achievements would have been made had there been no external interference to obstruct internal peace and destabilize the internal situation. The civil war, which has caused countless deaths among people and greatly affected the economy, has been raging for over 37 years. There is no telling when it will end.

There are other difficulties which are linked to Burma's contacts with the world's capitalist system--problems affecting the capitalist system have repercussions on Burma's economy. For instance, the growing gap between the prices of raw materials and of finished products reduces the export earnings of Burma every year. Thus, it has become increasingly difficult to service the external debt of \$2 billion. It is believed in Burma that only step by step implementation of policies oriented toward the socialist goal can help overcome these problems.

The foundations of the Burmese society which carried out progressive reforms 20 years ago remain intact. The Burmese papers have expressed the hope that the forthcoming congress will become an important pillar in the path of implementation of goals to build a new society in accordance with the interests of the working people and that it will give definitive guidelines for implementation of these goals.

The Soviet people extend their good wishes to the Burmese people and the Lanzin Party on its 23d founding anniversary to achieve new successes in building a new society.

CSO: 4211/75

CHINA/FAR EAST/PACIFIC

BRIEFS

PRK MEDIA DELEGATION IN MOSCOW--The PRK radio and television delegation, which is visiting Moscow at the invitation of the Soviet radio and television commission, is continuing its activities here. The delegation is led by Comrade Kim Yin, member of the KPRP Central Committee and director general of the PRK radio and television. During its stay, the Cambodian colleagues will be introduced to the structure and principle of the Soviet radio and television. Today, the Cambodian delegation was received by Comrade Sergey Lapin, chairman of the State Committee for Television and Radio of the Soviet Union. In a cordial and friendly atmosphere, the two sides held talks on various issues aimed at further expanding cooperation between the organizations of the two countries. [Text] [Moscow in Cambodian to Cambodia 1330 GMT 26 Jun 85]

CSO: 4212/89

MIDDLE EAST/NORTH AFRICA/SOUTH ASIA

U.S., 'IMPERIALISM' ACCUSED OF FOSTERING RIFTS IN OPEC

Moscow in Persian to Iran 1600 GMT 12 Jul 85

[Commentary by Igor Sheftunov]

[Text] OPEC petroleum ministers met in Vienna last week. Iranian Petroleum Minister Mohammad Gharazi and others who attended this meeting stressed the importance of adopting a joint oil policy and agreed to meet again in Vienna within 2 weeks.

Unified action is extremely important for OPEC members because they must contend with the combined forces of the major imperialist countries, led by the United States. Last summer, the leaders of seven major western countries met in London and adopted a joint policy regarding OPEC. The WALL STREET JOURNAL, the organ of U.S. monopolies, wrote that the objective of these seven countries is to completely reduce OPEC's role to nothing.

It is clear why OPEC, which was formed 25 years ago, is the target of imperialist hostility. OPEC is an important weapon in liberating its members from foreign dependence and in the struggle against oil-plundering imperialism. This organization also helps other Asian, African, and Latin American countries to resist the diktat of western monopolies and to achieve economic independence. The \$4-billion special fund set up by OPEC helps liberated countries achieve economic progress. This prevents the materialization of the plans of western monopolies which are trying to keep dozens of developing countries under financial servitude. Undoubtedly, if OPEC is able to implement its decision to increase fund's budget to \$20 billion, then this organization's assistance to the developing countries' struggle for economic independence can increase considerably.

In addition to imperialism's efforts to prevent this, imperialist countries are doing their best to weaken and to destroy OPEC. Western monopolies are limiting oil purchases from OPEC members in order to create difficulties for them, and to increase oil extraction in non-member countries. Oil companies also extensively supply oil to the market from their reserves (?at very low) prices. In support of their NATO ally, Britain and Norway have also reduced their companies' oil prices. These attempts have harmed OPEC.

OPEC members have had to reduce oil production by 1.5 million barrels daily, as well as to reduce its price. During the petroleum ministers' meeting in Vienna, OPEC members pointed out that they will (?continue to do so), and stressed the importance of an agreement among themselves to determine the price of oil and the level of production.

The United States and its allies are making great efforts in their struggle against OPEC to prevent the consolidation of unity and try and cause confrontation among its members. Five years ago, the United States succeeded in sparking off a war between Iran and Iraq who are two major members of OPEC and who have actively struggled against oil-plundering imperialism. The war has inflicted great losses on both countries and has complicated matters within OPEC. Western monopolies are making additional profits from Iran and other OPEC members by exploiting the war. They have imposed additional transportation costs on the oil-producing Persian Gulf countries. Western insurance companies have increased their rates, and western monopolies are purchasing Persian Gulf oil at a discount of \$1 to \$3 a barrel. This war has upset relations not only between Iran and Iraq, but also between some other OPEC members who have differing views on the war. The imperialists are exploiting this situation and they are trying to create a rift within OPEC and impose their diktat on its members. Western monopolies, primarily U.S. monopolies, believe that this war of attrition is making the economic situation in Iran and Iraq more critical and is helping to establish control over both countries. The Japanese newspaper YOMURI wrote, that by exploiting the difficulties faced by Iran as a result of the war, this country can be forced to (?accept the role) of the United States as the only way out of the impasse.

Realistic circles in OPEC point out that in order to successfully resist oil-plundering imperialism, conflicts among OPEC members should end, the Iran-Iraq war should end as a first step, OPEC unity should be consolidated, and the implementation of a joint and lasting policy on topics such as fixing the price of oil and the level of production should be ensured.

Commenting on the meeting of OPEC petroleum ministers in Vienna last week, it is stressed in Iran and in other OPEC member countries that the resumption of this conference on 22 July can play an important role to mobilize forces and to defend the joint interests of the oil-producing countries which are targets of attacks by imperialist monopolies.

CSO: 4640/647

MIDDLE EAST/NORTH AFRICA/SOUTH ASIA

ECONOMIC, TECHNICAL COOPERATION WITH INDIA

Moscow EKONOMICHESKAYA GAZETA in Russian No 24, Jun 85 p 21

[Article by Mikhail Alekseyevich Sergeychik, chairman of the State Committee for Foreign Economic Relations: "USSR-India: New Frontiers of Cooperation"]

[Text] Soviet-Indian documents were signed in the Kremlin on 22 May during Indian Prime Minister Rajiv Gandhi's official friendly visit to the USSR.

General Secretary M. S. Gorbachev of the CPSU Central Committee and R. Gandhi signed the Agreement on the Basic Guidelines of Economic, Commercial and Technological Cooperation Between the USSR and India up to the Year 2000 and the Agreement on Economic and Technical Cooperation. These documents gave strong momentum to the expansion and diversification of Soviet-Indian economic relations.

Years and decades have passed and one generation has followed another in our countries, but relations of friendship and cooperation between the USSR and India have constantly been on the ascendant. The reason is that they are based on equality and mutual respect and on the common or similar positions the two countries have taken on vital issues of the present day.

The Soviet Union was one of the first to respond to the Indian Government's request for assistance in the construction of large modern enterprises in key economic sectors. Commenting on the special importance of the USSR's assistance in the development of the Indian economy, R. Gandhi said in an interview on Soviet television on 3 May 1985 that "when we needed help in the development of our country and our industry, when other states hesitated or tried to put pressure on us, the Soviet Union always came to our aid. We appreciate this support greatly. We will not forget it."

Over the past three decades, economic and technical cooperation between the USSR and India has developed dynamically and has been enriched constantly with new forms and instilled with new content.

Scales of Interaction

The main results of Soviet-Indian cooperation, without which the present economic map of India would be unimaginable, are the metallurgical plants in Bhilai and Bokaro, the machine-building plants in Ranchi, Durgapur and Hardwar,

the oil refineries in Koyali, Barauni and Mathura, the oil fields in the state of Gujarat, plants in Rishikesh and Hyderabad, the aluminum plant in Korba, power plants in Neiveli, Korba and Bhakra, coal enterprises in Banka, Surakachkar and others. In all, more than 80 industrial facilities and other national economic projects have been completed or are now being designed and built with Soviet assistance in India. Many of these facilities are the largest in their industry. They now account for around 35 percent of the steel output, 30 percent of the aluminum output, almost 80 percent of the metallurgical equipment, 55 percent of the power engineering equipment, 10 percent of the electricity and a high percentage of the petroleum, petroleum products, coal, instruments, medicines, agricultural products and other goods produced in the country.

An important feature of Soviet-Indian economic cooperation is the simultaneous assistance in the training of skilled manpower in India.

Most Soviet-Indian construction projects are in relatively underdeveloped parts of India and are helping to equalize levels of development in various regions, establish an infrastructure and increase public employment. Now these regions have turned into lively industrial centers with modern cities and towns, cultural centers and athletic facilities and serve as true beacons of the new India.

Cooperation with the USSR is of the greatest value to India from the standpoint of its acquisition of modern technology and extensive technical know-how, which are actively aiding in the reinforcement of the country's scientific and technical potential.

The broad scales and the stability of Soviet-Indian economic and commercial relations gave rise to the need for their development on a long-term basis according to plan. As a result of this, a long-range program of economic, commercial and technological cooperation between the USSR and India was signed in March 1979 and was supplemented with an agreement on cooperation in the construction of several important industrial facilities in India in 1980.

Soviet and Indian organizations are actively implementing this agreement. The construction of a metallurgical plant in Vizakhapatnam with a projected annual output of 3.4 million tons of steel is proceeding at full speed, the construction of the first section of the 1,260-megawatt heat and electrical power station in Vindhyachal has begun, and the enlargement of the metallurgical plants in Bhilai and Bokaro to a capacity of 4 million tons of steel a year each is being completed. Open pits are being designed in Negahi and Mukunda with a projected capacity of 14 million and 12 million tons of coal a year respectively, the janjra mines with a projected annual output of 2.8 million tons of coal are being built, idle and unproductive wells are being repaired in the state of Gujarat, and geological prospecting for oil and gas is being conducted.

In payment for the Soviet economic and technical assistance, India ships traditional export goods (tea, coffee, spices, fabric, jute and others) to the USSR, as well as the finished goods of its national industry, including

electrical engineering equipment, metal-cutting tools, forging and pressing equipment, cable, wire, tools and other items.

Cooperative production in machine building is of mutual advantage, especially in plants built in India with the assistance of the USSR, where large Soviet orders are filled for equipment for the USSR national economy and for facilities built with Soviet aid in third countries. Since 1975, machine-building plants in Ranchi and Durgapur have filled Soviet orders for more than 40,000 tons of various types of equipment for construction projects in Bulgaria, Hungary, Sri Lanka, Cuba, Egypt, Turkey and other countries and for delivery to the USSR.

The construction of export-oriented enterprises on a compensatory basis in India for the shipment of Indian products to the USSR on a long-term basis is a new form of Soviet-Indian cooperation.

New Prospects

The Agreement on the Basic Guidelines of Economic, Commercial and Technological Cooperation Between the USSR and India up to the Year 2000 is aimed at the incorporation of advanced technology, the achievement of higher levels of production and labor productivity, the modernization and remodeling of enterprises in mutually approved areas, the construction of new facilities, the training of technical personnel, the development of new types of equipment and technological processes and the compilation of industrial research programs. The agreement envisages measures to heighten the operational efficiency of heat and electric power stations built or designed with the aid of Soviet organizations, the training of technical personnel and the construction of new power engineering facilities. Prospecting for oil and gas and repair work at oil and gas wells will be conducted on a broader scale.

Soviet and Indian organizations will cooperate in the enlargement and remodeling of coal facilities, the construction of new coal mines, open pits and coal concentration factories and the development of modern methods of geological prospecting for coal and the underground gasification of coal. In ferrous and nonferrous metallurgy, plans call for cooperation in the incorporation of new technological processes, the remodeling of Indian metallurgical plants, the achievement of the projected capacity of the metallurgical plants in Bhilai and Bokaro and their enlargement, the continuation of the construction of the metallurgical plant in Vizakhapatnam, the development of an export-oriented bauxite mine representing the first section of the bauxite-alumina complex in the state of Andhra Pradesh, the enhancement of operational efficiency at the aluminum plant in Korba and the concentration and production of metals. Cooperation in machine building will focus on increasing the output of existing enterprises built with the aid of Soviet organizations, remodeling them, mastering the production of new items and improving technological processes.

For the fuller use of the intersupplementary features of the economies of the two countries, the cooperative manufacture and delivery of machines, equipment and other products will be augmented, and Indian organizations will participate more widely in civil and industrial construction projects in the USSR.

The Agreement on Economic and Technical Cooperation Between the USSR and India envisages large construction projects of great importance to the Indian national economy.

They include an 840-megawatt heat and electrical power station in Kahalgaon; a coal pit with a capacity of 10 million tons of coal a year at the Jari mine with concentration factories; the Mohair coal pit with a projected capacity of 10 million tons of coal and the Kadiya coal pit with a total capacity of up to 10 million tons of coal a year, including its first section--4 million tons a year at the Singrauli fuel coal mine; the Sitanala mine with a capacity of 2.5 million tons of coking coal a year at the Jari coalfield with concentration factories. Besides this, Soviet and Indian organizations will cooperate in comprehensive prospecting for hydrocarbons with the aid of Soviet equipment and specialists in two mutually approved regions on dry land; in the establishment of an institute for the design of coal concentration factories and operational design departments in the Indian Central Institute for the Planning and Design of Coal Enterprises; in the modernization of the Paterdih concentration factory; in the incorporation of new technology and in modernization and remodeling in ferrous metallurgy and machine building.

The Soviet Union has consistently supported India during all stages of its struggle for stronger independence, has always displayed genuine solidarity with this great country and has defended its sovereignty, dignity and right to independent development.

8588

CSO: 1825/89

SUB-SAHARAN AFRICA

U.S. SAID TO USE DROUGHT AS COVER TO AID ETHIOPIAN REBELS

EA021648 Moscow International Service in Amharic 1530 GMT 1 Jul 85

[Text] Imperialist groups are trying to take advantage of the evident drought in the country to destabilize the Ethiopian revolution. This was disclosed by Legese Asfaw, Workers Party of Ethiopia [WPE] Central Committee member and secretary in a speech to the graduates of the "Yekatit 66" WPE Political Party School. The imperialist forces are trying to carry out their aims among the secessionists who are highly active in Eritrea and Tigray region, writes our observer Aleksandr Borisov.

It is to be recalled that all attempts aimed at destabilizing the revolutionary government with the support of the monarchy and other antirevolutionary groups have failed. Hence their hopes were pinned on the secessionists. It is also to be recalled that Mengistu Haile Mariam, WPE Central Committee secretary general and Provisional Military Administrative Council chairman, in his speech to the recently held WPE Central Committee regular session said "reactionary forces with the military, economic, and political assistance given to them by imperialist groups, have never refrained from trying to curb the progress of the revolution and destabilize the unity of the country.

Imperialists, in particular the United States of America, are providing arms to the secessionists in the name of supplying food aid to the peoples of drought-hit northern Ethiopia. As has been proved by many news agency reports, the atrocities carried out by secessionists against Ethiopia are organized by America's CIA and other agencies from NATO member states. The American paper CHRISTIAN SCIENCE MONITOR writes that Washington, through various centers, sends various consignments weighing 3,000 tons to the Eritrea region secretly and 1,000 tons of goods to Tigray Region every month. According to information from "New House" Information Service, the quantity of arms America has supplied to secessionist groups from the beginning of this year amounts to 60,000 tons.

The secessionists, who depend on the material assistance from the imperialist governments, are doing everything they can to denigrate the policy followed by the revolutionary Ethiopian Government. For example they are attacking transport services so that food, medicine, and other necessary items cannot reach the drought-afflicted compatriots and are also carrying out terrorist activities against the people.

Nevertheless, the Western propaganda media shamelessly confirm that these activities are being carried out in a fight for independence. The American and other Western government imperialist groups which are lined up behind the secessionist groups will never stop pressuring revolutionary Ethiopia's government. As has been pointed out by Ethiopian leaders, everything possible is being done by the imperialists to exert pressure on Ethiopia to forge a deal with the terrorists and secessionists active in the northern parts of the country. Ethiopia will never accept such a deal. It is a fact that the plans of the reactionary forces will fail. This is evidenced by the Ethiopian working masses determination to overcome all the problems they are faced with and lay down a foundation for the new society.

CSO: 3403/5

SUB-SAHARAN AFRICA

BURUNDI MARKS INDEPENDENCE DAY, PRAISES SOVIET AID

LD301746 Moscow Television Service in Russian 1430 GMT 30 Jun 85

[From the Vremya newscast]

[Text] On 1 July the people of the Republic of Burundi celebrate their national holiday, independence day. Taking part in our program is the ambassador of the Republic of Burundi to the Soviet Union, Pierre Ndikumana:

[Begin recording in French with superimposed Russian translation] Dear friends, celebrating the 23d anniversary of our independence, I should like to pay tribute to friendly countries, primarily the USSR, who gave us support in our struggle for independence and national unity. During the first decade after liberation my country experienced a period of political instability and economic depression, but after 1 November 1976, Burundi, under the leadership of chairman of the Uprona Party, President of the Republic Colonel Jean-Baptiste Bagaza, embarked on the road of socioeconomic and cultural transformations. In that period there took place in the country profound changes both in the structure of the state and in the minds of people. In December 1979 the first national congress of the Uprona Party took place, which worked out the principles of political, economic and social development of the country. The congress made the decision to draft a constitution guaranteeing the liberty of each individual and of the whole people. By means of a national referendum, the constitution was adopted. In 1982 the National Assembly was elected. In 1984, at the second national congress of the Uprona Party, Colonel Bagaza was reelected to the post of chairman. In the same year he was reelected president of the republic. All this testifies to the fact that the Burundi people support and approve the line pursued by the leadership of the republic. In that period our country has seen significant changes, plans have been implemented designed to improve the living conditions of the whole people.

We highly appreciate the assistance of friendly countries, including the USSR. Skilled national cadres have been trained and continue to be trained in Soviet higher educational establishments and technical colleges. Soviet physicians and teachers are working in Burundi, giving freely of their strength and knowledge. We hope that our relations will continue in future

to enable us jointly to implement our plans for development of industry and agriculture. But an indispensable condition of the implementation of these plans is a stable peace and a desire to resolve all disputes by means of talks. That is why my country resolutely denounces the arms race and voices support for countries fighting for international detente, for peace on our planet.

Thank you for your attention. [End recording]

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SUB-SAHARAN AFRICA

BRIEFS

TASS, ANTA COOPERATION--Moscow, 4 Jul, TASS--The news agency of the Soviet Union (TASS) and Madagascar's national news agency ANTA today signed a protocol on expanding cooperation in the sphere of information. The document was signed by TASS director general Sergey Losev and Pierre Simon, [name as received] minister of information, ideological orientation and cooperatives of the Democratic Republic of Madagascar. [Text] [Moscow TASS in English 0940 GMT 5 Jul 85 LD]

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